NOTICE OF 2021
Annual Meeting of Shareholders
MAY 11, 2021

Management Information Circular
MARCH 25, 2021

Keyera at a glance

In 2020, Keyera employed approximately 960 people at 24 facilities and 2 offices located in Alberta, Oklahoma and Texas. Our integrated Canadian-based business provides essential value-added services to energy producers located primarily in the Western Canada Sedimentary Basin. Our services include natural gas and natural gas liquids (NGL) gathering and processing, fractionation, storage, transportation, logistics and marketing, as well as manufacturing and marketing of iso-octane, a low-vapour pressure, clean-burning gasoline blending additive. We are known for safely operating complex energy processing facilities in an environmentally and financially responsible manner.

Mission

CONNECTING ENERGY FOR LIFE

Our mission expresses our commitment to providing safe and responsible essential energy infrastructure solutions

Vision

To be the North American leader in delivering energy infrastructure solutions

#1 IN SAFETY PERFORMANCE

#1 IN CUSTOMER RECOGNITION

#1 IN TOTAL SHAREHOLDER RETURN (TSR)

Values

Our core values provide the framework for how we execute our day-to-day work and engage with our customers and many stakeholders

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

Integrity & Trust
Do the right thing for the right reasons

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

Teamwork
Embrace diversity and working together

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

Cultural Behaviours

We formally define the key behaviours that characterize our workplace culture

Character & Commitment
Follow through on our commitments

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

Questioning Attitude
Guard against complacency, challenge status quo

Diligence
Follow approved processes and procedures

Engage & Care
Work together to achieve our goals

Message from our Board Chair and President & Chief Executive Officer

Dear Fellow Shareholders:

On behalf of the board of directors and management of Keyera Corp., we are pleased to invite you to our 2021 annual meeting of shareholders to be held May 11, 2021, beginning at 2:00 pm MDT. **Please note that due to the ongoing public health impact of COVID-19, we will be holding our meeting in a "virtual only" format via live audio webcast. Shareholders will have the opportunity to participate in the meeting, including to vote on specific items of business and ask questions, regardless of geographic location.**

The enclosed management information circular provides important information about the meeting, including items of business to be addressed and how to vote your shares. Details on how to vote (in advance or during the meeting) and participate in the meeting are provided starting at page 10.

Pandemic response

The COVID-19 pandemic created unprecedented global challenges in 2020. While the longer-term economic, social and health impacts are currently unknown, the human toll has been tragic. From an industry perspective, the steep decline in global economy and corresponding energy demand had profound ramifications for the energy business. Despite these events, there is increasing cause for optimism as vaccines are introduced across the world.

Throughout the pandemic, our number one priority has been the health and safety of our employees, contractors, customers and communities. In early 2020, Keyera took swift and decisive action to ensure the safety of our people and our facilities while continuing to provide essential services to our customers. Multi-disciplinary emergency response teams were quickly established to oversee our pandemic response, ensure business continuity and maintain the safe and reliable operation of our facilities. Among the measures implemented by Keyera were the following:

- detailed safety protocols and operating practices for all essential operations personnel to ensure the continued provision of uninterrupted services;
- "work from home" capabilities to enable all "non-essential" workers to work remotely;
- strong workplace sanitization practices and protocols;
- restriction of all non-essential travel, including to our field locations; and
- providing meaningful support to employees to address their health, safety and wellness needs, as well as those of their family members.

The board closely monitored these developments and the progress of our business objectives, over the course of 2020, holding four special meetings and receiving detailed briefings at each of its regularly scheduled meetings.

Throughout the pandemic, the dedication of the Keyera team has enabled the continued safe operation of our business under the most extraordinary of conditions. On behalf of the entire board, I wish to extend our sincere appreciation to all Keyera personnel for their efforts in adapting safely and quickly to a rapidly changing and uncertain environment. These efforts reinforce Keyera's commitment to its mission statement of "**connecting energy for life**".

2020 financial performance

Despite the challenges in 2020, we relentlessly continued to pursue our three goals of being #1 in Safety Performance, #1 in Customer Recognition and #1 in Total Shareholder Return. We responded quickly to evolving market conditions to preserve shareholder value and ensure the continued financial strength of our business. These actions included the suspension of our DRIP program, a reduction to our capital expenditure program, including a one-year deferral of our KAPS pipeline project, successful execution of our facility optimization plan and significant cost reduction initiatives expected to yield $45 to $65 million in annual cost savings, the majority of which is expected to be realized by the end of 2021.

We also delivered record distributable cash flow (DCF) of $718 million in 2020, an annual increase of 21 percent. Adjusted EBITDA was $874 million, down just 7 percent from a record year in 2019, demonstrating the resiliency of our business amid severe commodity price reductions resulting from the pandemic. We also exited the year with a net debt to adjusted EBITDA ratio of 2.9x, within our targeted range of 2.5x to 3.0x. These strong financial results were delivered despite unplanned outages at our Wapiti and Alberta EnviroFuels (AEF) facilities which reduced annual EBITDA results by approximately $45 million.

Stable dividend

In 2020, dividends declared to shareholders were $1.92 per share, representing a 4 percent increase over 2019. This represents a payout ratio of 59 percent from DCF, well within our targeted range of 50 to 70 percent. Since 2008, Keyera has grown DCF at a compounded annual growth rate of 9 percent, allowing for steady dividend growth over this period.

Sustainability focus

Keyera is proud of its longstanding commitment to be a responsible energy infrastructure company. The energy transition currently underway demands that we think strategically about a low carbon future and the positive role we can play in it. In 2020, the board and management undertook a comprehensive review of our approach to sustainability, including relative to our strategic planning, capital allocation and investment decision-making processes. We conducted a materiality assessment and sought feedback from stakeholders on our most significant environmental, social and governance (ESG) risks and opportunities. As part of this review, the board also engaged with external experts to gain a broad perspective on the sustainability and ESG issues anticipated to be most impactful to our business over the long-term.

These efforts culminated with the December 2020 release of Keyera's inaugural ESG report. The report, aligned with the Sustainable Accounting Standards Board (SASB) disclosure framework, outlines our six material sustainability factors: Safety, People and Culture, Emissions, Community and Indigenous Engagement, Land Management and Water, as well as our future ESG priorities. Management also completed a multi-disciplinary process to develop corporate emissions reduction targets. We anticipate sharing these targets and aligning our ESG disclosure to recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in 2021.

Executive succession

The board also completed a multi-year executive succession planning process which culminated in the promotion of Dean Setoguchi to President & Chief Executive Officer (*CEO*), effective January 1, 2021. As part of this process, the board also approved the promotions of Eileen Marikar to Senior Vice President (*SVP*) & Chief Financial Officer (*CFO*), Jamie Urquhart to Senior Vice President & Chief Commercial Officer (*CCO*) and Dion Kostiuk to Senior Vice President, Human Resources and Corporate Services, in 2020. These changes reflect the board's commitment to robust succession planning and promoting strong diversity among our senior executive team.

The appointment of Mr. Setoguchi followed the planned retirement of former CEO, David Smith, on December 31, 2020, after 22 years with Keyera. On behalf of the board and management, we wish to extend our deep appreciation to David for his strategic vision and strong commitment to Keyera, its people and customers, which has established a strong foundation for continued long-term success.

Compensation governance

The board, assisted by our compensation and governance committee, seeks to ensure that executive pay reflects our performance and directly aligns with the interests of our shareholders. In 2020, our program was carefully evaluated by the board to ensure that compensation outcomes reflected the challenging economic and industry conditions resulting from the pandemic in 2020.

Against this backdrop, temporary reductions were applied both to 2020 director compensation and executive base salaries. These reduced salaries were also used to determine 2020 executive annual incentive awards. The board also applied discretion to reduce the corporate performance multiplier of 2020 annual incentive awards. In addition, the board undertook a comprehensive review of our compensation governance practices, approving directional changes to our executive employment agreements, incentive claw back policy and long-term incentive plan, to be finalized and take effect in 2021. More information about these actions is included in the letter from our compensation and governance committee chair, Doug Haughey and the compensation discussion and analysis starting at page 44.

Election of directors

This year we are asking you to elect nine directors to our board. All nine nominees (with the exception of Mr. Setoguchi), currently serve as independent directors of our board. Mr. Setoguchi is seeking election as a non-independent director for the first time. Our director nominees are highly qualified and bring a strong mix of industry experience, professional expertise and diverse perspective to our board. Three of our independent director nominees are female. Detailed information about each director nominee is provided starting at page 19.

Don Nelson is not standing for re-election this year. On behalf of the board, we wish to thank Don for his many contributions to Keyera during his tenure as a director, including as chair of our health, safety and environment committee. Don's industry experience, financial acumen and unwavering commitment to safety and responsible environmental stewardship have been invaluable to our board and Keyera's success.

Looking forward

While it remains a challenging time for our industry, we believe in the strength and resiliency of the Canadian energy industry. We are particularly encouraged by the positive signs of recovery we have seen year-to-date. On behalf of the board and management of Keyera, we wish to thank our directors for their continued guidance and stewardship, our leaders for their commitment towards the implementation of our strategy and our employees for their dedication to achieving Keyera's goals. We also wish to thank you, our shareholders, our customers and many other stakeholders for your continued support.

Your vote is important

We encourage you to review the enclosed management information circular carefully, as it contains important information about your voting rights as a shareholder, including how to vote your shares, either by proxy or by attending our virtual meeting. The circular also provides information about our director nominees, how Keyera is governed, our independent auditors and our approach to executive compensation.

We also encourage you to participate, vote and ask questions at the virtual meeting. If you cannot participate in the meeting, an archive of the live audio webcast will be available on our website following the meeting at www.keyera.com.

Thank you for your continued confidence in Keyera. We look forward to hosting you online at our meeting on May 11, 2021.

Sincerely,

(signed) "Jim Bertram"

Jim Bertram
Chair, Board of Directors

(signed) "Dean Setoguchi"

Dean Setoguchi
President and Chief Executive Officer

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Notice of our 2021 annual meeting

When

Tuesday, May 11, 2021
2:00 p.m. MDT (Mountain Daylight Time)

Where

Virtual meeting by live audio webcast
https://web.lumiagm.com/463680071

What the meeting will cover

The meeting will address the following:

1. Receive Keyera Corp.'s consolidated financial statements for the financial year ended December 31, 2020;
2. Election of our directors;
3. Appointment of Deloitte LLP as our auditors;
4. Hold a non-binding, advisory vote on our approach to executive compensation; and
5. Any other business that may be properly brought before the meeting.

The board of directors recommends all shareholders vote **FOR** all resolutions on the business items listed above.

Who can vote

You are entitled to receive notice of and vote at the meeting if you held Keyera common shares at the close of business on March 24, 2021.

Materials

A Notice of Availability of Proxy Materials for the **2021 Annual Meeting of Shareholders of Keyera Corp.** (the *notice*) is being mailed to beneficial shareholders on or about April 6, 2021.

We are providing access to the attached management information circular and annual report via the internet using the Notice and Access system (*notice and access*). These materials, referenced in the notice, are available on our website at www.keyera.com. Information on notice and access is provided at page 8 of the attached circular.

Voting and proxies

You can vote your shares by using the proxy form or voting instruction form in the materials mailed to you. Information on how to vote your shares directly at the meeting or appoint someone to serve as your proxyholder and vote your shares on your behalf, is provided starting at page 10 of the circular.

Registered shareholders and appointed proxyholders can participate in the meeting, ask questions and vote in real time, provided they are connected to the internet and comply with the requirements in the attached circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder may attend the meeting as guests, however guests are unable to vote at the meeting.

The board of directors has approved the contents of this notice and authorized us to send this information to our shareholders, directors and auditors.

By order of the board of directors,

Dated at Calgary, Alberta this 25th day of March 2021.

KEYERA CORP.

(signed) "Nancy L. Brennan"

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

Management information circular

You are receiving this management information circular because you owned common shares of Keyera at close of business on March 24, 2021 (the *record date*) and are entitled to receive notice of, and vote at, our annual meeting of shareholders to be held virtually on **Tuesday, May 11, 2021** (or a reconvened meeting if postponed or adjourned).

Please note that due to the continuing public health risks associated with COVID-19, we are holding the meeting in a virtual only format.

Management is soliciting your proxy for the meeting. Solicitation is mainly by mail, but you may also be contacted by phone, e-mail, internet or by a Keyera director, officer, employee. Keyera pays for the costs of preparing and distributing meeting materials, including reimbursing brokers or other entities for mailing materials to our beneficial shareholders.

Your vote is important. We encourage you to read this circular carefully and vote your shares. Detailed information on how to attend and participate in the virtual meeting, including how to vote your shares directly at the meeting, or appoint someone to be your proxy holder to vote your shares on your behalf, is provided starting at page 10.

The board of directors of Keyera has approved the contents of this circular and authorized us to send it to all shareholders of record.

(signed) "Nancy L. Brennan"

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

In this document:

- ***We, us, our, the Corporation*** and ***Keyera*** means Keyera Corp.
- ***You, your*** and ***shareholder*** means holders of Keyera common shares
- ***Circular*** means this management information circular, dated March 25, 2021
- ***Common shares*** and ***shares*** means common shares of Keyera, unless otherwise indicated
- All dollar amounts are in **Canadian dollars** unless otherwise indicated
- Information is as of **March 24, 2021** unless otherwise indicated

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

Information about notice and access

Keyera is using the *notice and access* rules adopted by Canadian securities regulators to reduce the volume of paper and mailing costs associated with the physical distribution of materials for our 2021 annual meeting of shareholders. Instead of receiving a paper copy of this circular with the proxy form or voting information form by mail, beneficial shareholders received a notice of the meeting with instructions on how to access this management information circular, audited consolidated financial statements and related management's discussion and analysis (collectively, the *meeting materials*) online, or request paper copies. Paper copies of the meeting materials will be mailed to registered shareholders (and beneficial shareholders who previously requested to receive them). To receive a paper copy of the meeting materials at no charge, please contact Broadridge Financial Solutions Inc. (*Broadridge*). This circular and the proxy form can be viewed online on our website at www.keyera.com and on SEDAR at www.sedar.com.

Keyera financial information

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, 2020 (our *2020 annual MD&A*). Please contact us to receive a copy of these documents. These documents and other information about Keyera are available on our website at www.keyera.com or on SEDAR at www.sedar.com.

Use of non-GAAP measures

This circular references certain financial measures 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 "B" to this circular.

Forward looking statements

This 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 circular contains FLS about our vision, goals, 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 the Forward-Looking Statements in our 2020 annual MD&A and 2020 Annual Information Form (*our 2020 AIF*) as well as Risk Factors in our 2020 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 circular. Keyera does not undertake any obligation to publicly update or revise the FLS contained in this document, except as required by law.

Our 2020 performance

2020 highlights

$718MM
record distributable cash flow in 2020 (1) (2)

investment grade credit ratings (3)

$874MM
adjusted EBITDA in 2020 (1)(2)

59%
dividend payout ratio(1)(2)

2.9x
2020 net debt/adjusted EBITDA ratio

Female representation

40%
of senior executives(5)

33%
of independent directors

Strong fee-for-service cash flows
2020 realized margin (1)(2) from take-or-pay agreements accounted for approximately 40% of total realized margin (1)(2)(4)

Capital investment discipline
includes evaluating investments by: returns, strategic merit, ESG considerations and other risk factors.

Providing essential energy infrastructure solutions to customers
68% realized margin (1)(2) from investment grade counterparties

Resilient business model
long-term track record of value creation through commodity price cycles

Prudent financial framework
low leverage provides flexibility and supports investment grade credit ratings (3)

Committed to strong ESG performance

Our six material ESG factors:

- Safety of people & operations
- People & culture
- Emissions
- Community & Indigenous engagement
- Land management
- Water

Notes:

1. Please refer to our 2020 year-end report and accompanying 2020 annual MD&A available on SEDAR at www.sedar.com or on our website at www.keyera.com.
2. Distributable cash flow 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, including the periodic costs related to prepaid leases. Realized margin is defined as operating margin excluding unrealized gains and losses on commodity-related risk management contracts. 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. Adjusted EBITDA, distributable cash flow, payout ratio and realized margin are not standard measures under GAAP. Please see "Non-GAAP reconciliation" attached as Schedule "B".
3. Please refer to our 2020 AIF available on SEDAR at www.sedar.com or our website at www.keyera.com.
4. Percentage includes less than 10 percent for inter-segment transactions.
5. Refers to percentage of senior vice presidents (two of five) reporting directly to our former CEO, David. Smith and/or President, Dean Setoguchi, at December 30, 2020.
6. Please refer to our 2019 ESG Report, dated December 15, 2020, available on our website at www.keyera.com.

Details about the meeting

Your participation at the meeting is important. Please read the following information carefully as it provides details on how to vote or appoint a proxy holder to vote your shares, as well as how to participate at the meeting.

To mitigate the continuing public health risks associated with COVID-19, we are holding the meeting in a "virtual only" format via live audio webcast. Shareholders will therefore not attend the meeting in person but are able to attend and participate online in real time, as described below. Information on how to participate in our virtual meeting, including how to vote your shares or ask questions, is provided below.

Meeting details

The meeting will be held **May 11, 2021 at 2:00 p.m. (Mountain Daylight Time)**. The Meeting will be conducted via live audio webcast at https://web.lumiagm.com/463680071.

Participation at the meeting

Registered shareholders and duly appointed proxyholders who wish to participate at the meeting will be able to listen, ask questions and vote at the meeting in real time. To do so, participants must be connected to the internet and comply with all requirements set out under the "Registered shareholders: Voting Instructions" and "Beneficial shareholders: Voting instructions" sections below. Beneficial shareholders who have not duly appointed themselves as proxyholders may attend the meeting as guests. Guests will be able to listen to but will be unable to vote or ask questions 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 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, officers or employees 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?

You are entitled to receive notice of and vote at the meeting if you held common shares of Keyera at the close of business on **March 24, 2021**, (the *record date*). As of the record date, we had 221,022,873 common shares issued and outstanding. Each common share represents the right to one vote on any item of business properly brought before the meeting (or any reconvened meeting if adjourned or postponed).

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 requests 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.

To the best of the knowledge of Keyera and its directors and 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?

If your shares are registered in the name of a nominee (such as a bank, trust company, securities broker or other intermediary) you are a beneficial (or non-registered) shareholder. 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 that the notice of meeting, management information circular, audited consolidated annual financial statements for the year ended December 31, 2020 and related Management's Discussion and Analysis (collectively, the *meeting materials*) will be posted online for beneficial shareholders to access electronically.

Beneficial shareholders will receive a package in the mail containing the meeting notice and voting instruction form, information about how to access meeting materials online (or obtain paper copies at no charge), as well as how to vote.

Paper copies of the meeting materials will be mailed to registered shareholders and beneficial shareholders who previously requested to receive them. If you wish to receive 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 or visiting** www.proxyvote.com **and entering the 16-digit control number located on your voting instruction form provided (*control number*). If you do not have a control number, requests can be made by calling toll free within North America 1-844-916-0609 (English) or 1-844-973-0593 (French). If dialing from outside North America call 1-303-562-9305 (English) or 1-303-562-9306 (French)**. Requests must be made **no later than 2:00 p.m. (MDT) on April 27, 2021**, to receive paper copies of the meeting materials before the voting deadline and, in any event, within one year of filing the circular on SEDAR.

Beneficial shareholders with questions about notice and access can call **Broadridge toll free within North America at 1-844-916-0609 (English) or 1-844-973-0593 (French)**. If dialing from outside North America **call 1-303-562-9305 (English) or 1-303-562-9306 (French)**.

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 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 each intermediary has their own voting and mailing procedures, you must strictly follow the instructions of your intermediary 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.

Voting 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 7, 2021** 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 but would rather have someone else vote on your behalf, 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 7, 2021** 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.**

If you do not appoint a proxyholder to vote on your behalf, as described above, the individuals named on the proxy form, **Jim Bertram and Dean Setoguchi** (*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 "Voting by proxy: selecting your proxyholder" 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 enclosed proxy form. Registered shareholders may vote at the meeting by completing a ballot online shortly before the meeting as further described under "Attendance and participation at the meeting" below.

Not voting at the meeting?

If you do not wish to vote at the meeting, but would rather have someone vote on your behalf, 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 7, 2021** 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 in order for you to vote at the meeting.**

Attendance and participation at the meeting

Keyera is holding the meeting in a virtual only format via live webcast. Shareholders will not be able to attend the meeting in person. However, shareholders can attend and, in the case of registered shareholders and appointed proxyholders, 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 e-mail notification you received is your control number for voting purposes.

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" or "Registered shareholders: voting instructions", as applicable, 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 or ask questions 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/463680071.
2. We recommend that you log in at least one (1) hour before the meeting starts (i.e. log in at or before 1:00 pm MT);
3. Click "Login" and enter your control number (see below) and Password "keyera2021" (case sensitive); **OR**
4. 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

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

1. Receive Keyera Corp.'s consolidated financial statements for the financial year ended December 31, 2020;
2. Election of our directors;
3. Appointment of Deloitte LLP as our auditors;
4. Hold a non-binding, advisory vote on our approach to executive compensation; and
5. Any other business that may be properly brought before the meeting.

Each of these items are described in greater detail starting at page 16.

In the event 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.

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	**FOR** or **WITHHOLD**
Appointment of Deloitte LLP as our auditors	**FOR** or **WITHHOLD**
Advisory vote on our approach to executive compensation	**FOR** or **AGAINST**

There is no vote on the review of our 2020 audited consolidated 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 e-mail at corporate_secretary@keyera.com.

Voting by proxy

Selecting your proxyholder

Your proxy voting form or voting instruction form currently names the management appointees, our board chair and CEO 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	**FOR**
Appointment of Deloitte LLP as our auditors	**FOR**
Advisory vote 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. (MDT) on May 7, 2021 (*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 (our board chair, Jim Bertram) 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 instruction 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 33); and (ii) the 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 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. (MDT) 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, T2P 3N4 (Attention: Corporate Secretary) prior to voting cutoff. If you originally voted by telephone or the internet, simply convey your new instructions by telephone or online to Computershare using your control number prior to voting cutoff to revoke your prior instructions. You may also change your voting instructions by attending and voting at the virtual meeting.

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 Jim 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 *advance notice by-law*). The *advance notice by-law* describes how to submit director nominations prior to any annual or special meeting of shareholders at which directors are to be elected. The *advance notice by-law* is available on our website at www.keyera.com.

The deadline for director nominations under the *advance notice by-law* is the 10th day following the date of the first public announcement of the meeting, or March 8, 2021. **No director nominations were received by Keyera prior to this deadline.**

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 was February 10, 2021. **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.

How do I obtain paper copies of the meeting materials?

To request free paper copies of this circular and the proxy form or voting information form, registered and beneficial shareholders can ask for If you have questions about voting procedures or the meeting, please contact our Corporate Secretary at corporate_secretary@keyera.com or via the following address:

Keyera Corp. (Attention: Corporate Secretary)
Suite 200, 144 – 4th Avenue S.W.
Calgary, Alberta T2P 3N4

Business of the meeting

The meeting will address the business items below. An item is approved if a simple majority (50 percent plus one) of shareholders represented in person or by proxy at the meeting vote FOR a resolution, except for the election of directors, which is subject to our *Majority Voting Policy* (described at page 33). The vote on executive pay is advisory and non-binding. Further information on each item is provided below.

1. Receive our financial statements

We will present our consolidated financial statements for the year ended December 31, 2020 together with the auditors' report, at the meeting. Our financial statements have been reviewed by our audit committee, audited by our external auditors, Deloitte LLP, Chartered Professional Accountants and approved by the board. They have also been provided to each shareholder who requested a copy. Copies are available online at www.keyera.com, at www.sedar.com or can be requested from Investor Relations at ir@keyera.com or using the contact information at page 32.

2. Elect our directors

Keyera has determined to nominate (9) directors for election to our board this year. The nine director nominees are:

Jim Bertram	**Doug Haughey**	**Michael Norris**	**Charlene Ripley**	**Janet Woodruff**
Blair Goertzen	**Gianna Manes**	**Thomas O'Connor**	**Dean Setoguchi**	

Each of nine director nominees (except for Dean Setoguchi, as described below) are current members of our board and are standing for re-election this year. Mr. Don Nelson will retire from the board effective May 11, 2021 and is therefore not standing for re-election this year. Former CEO David Smith retired as a director and as CEO on December 31, 2020 and is therefore not standing for re-election to the board.

The board appointed Mr. Setoguchi as a director effective January 1, 2021, concurrent with his promotion to President & CEO. Mr. Setoguchi is therefore standing for election as director by our shareholders for the first time. Information about each director nominee, including their respective experience and expertise, 2020 meeting attendance, share ownership and public company directorships, is provided starting at page 19.

Each of our director nominees (excluding Mr. Setoguchi) were elected to the board at our 2020 annual meeting, with average support (or FOR votes) of 99 percent. 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.

Under our *Majority Voting Policy* (described at page 33), a director nominee must receive more FOR than WITHHOLD votes to serve as a director. A director nominee who receives more WITHHOLD than FOR votes must submit their resignation within 30 days of the meeting. Absent extenuating circumstances, the director's resignation will be accepted by the board.

The proxy form allows shareholders to vote FOR *all* nominated directors, vote FOR *some of them* and WITHHOLD their vote for others, or WITHHOLD their vote for *all* of them.

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. Appoint the auditors

The board, upon recommendation of the audit committee, proposes that shareholders appoint Deloitte LLP (*Deloitte*) as our independent auditors, to hold office for a one year term until the close of our next annual meeting. Deloitte is independent within the meaning of the *Rules of Professional Conduct of the Chartered Professionals of Alberta* and has been our independent auditors since 2003.

Fees paid to the auditors are negotiated and approved by the board. Fees are based on the nature and complexity of the engagement, and auditors' time. In respect of 2020, the audit committee authorized certain non-audit services to be undertaken by Deloitte in relation to the review of the potential accounting implications of various strategic initiatives proposed by management. These services and corresponding fees were approved by the board. The board believes that fees negotiated and paid to Deloitte in 2020 are reasonable and comparable to those charged by other auditors providing similar services.

The table below shows the fees paid to Deloitte in the last two financial years:

	2020	2019
Audit fees [1]	$935,492[5]	$693,656
Audit related fees[2]	$274,149	$143,222
Tax fees [3]	$0	$0
All other fees [4]	$406,809[6]	$87,893
Total	**$1,616,450**	**$924,771**

Notes:
1. Fees for core audit services, such as audit and review of annual and quarterly financial statements and ongoing regulatory filings.
2. Fees for services related to Keyera financings and review and translation for non-routine regulatory filings, including prospectuses.
3. Fees for services related to review of transfer pricing documentation for Keyera's U.S. subsidiary and related to income tax and commodity taxes.
4. Fees for all other services other than those described above.
5. Above increase in audit fees in 2020 is primarily attributable to audit work performed on Keyera's 2019 financial statements in relation to the Corporation's voluntary change in accounting policy for decommissioning liabilities.
6. The increase in non-audit fees for 2020 is described above.

The audit committee approves all audit plans and reviews and pre-approves any non-audit engagements of the external auditors. 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 for the year ended December 31, 2020 were pre-approved by the audit committee.

The appointment of Deloitte as independent auditors was approved by over 92 percent of votes cast at our 2020 annual meeting.

THE BOARD RECOMMENDS SHAREHOLDERS VOTE FOR THE APPOINTMENT OF DELOITTE LLP AS AUDITORS

Unless instructed otherwise, the management appointees will vote FOR the appointment of Deloitte as auditors.

4. Approach to executive compensation

As part of our commitment to strong corporate governance, the board is once again providing shareholders an opportunity to vote on our approach to executive compensation. Results of this vote, commonly referred to as a *say on pay* vote, are carefully considered by the board when considering our compensation practices and executive pay decisions. Feedback received directly from shareholders is also carefully considered by the board as part of its ongoing evaluation of our compensation program.

This year represents the eighth consecutive year Keyera has held a say on pay vote at its annual meeting. Over the past three years, our say on pay vote has received support from an average of 98 percent of the votes cast at our annual meeting. Our approach to executive compensation was supported by over 98 percent of votes cast at our 2020 annual meeting.

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

> "**BE IT RESOLVED THAT**, on an advisory basis, and not to diminish the role and responsibilities of the board of directors of Keyera Corp., shareholders accept the approach to executive compensation as described in the compensation discussion and analysis section of this circular."

THE BOARD RECOMMENDS SHAREHOLDERS VOTE FOR OUR APPROACH TO EXECUTIVE COMPENSATION

Unless otherwise directed, the management appointees will vote FOR our approach to executive compensation, as described in this circular.

5. Other business

Other business properly brought before the meeting may also be addressed at the meeting.

Shareholders entitled to vote at the meeting who wish to submit a proposal were required to provide us with their proposal by February 10, 2021, in accordance with the *Business Corporations Act* (Alberta). No such proposals were received by Keyera prior to this deadline. A shareholder who intends to nominate a person for election as a director of Keyera at an annual meeting of shareholders, other than by way of shareholder proposal, must comply with the requirements in our *advance notice by-law*, including timely and proper written notice. The deadline for nominating a person for election as a director for this meeting was **March 8, 2021**. More information about our *advance notice by-law* is available at page 15. The full text of the *advance notice by-law* is available at www.sedar.com and www.keyera.com.

About our director nominees

Nine individuals are being nominated for election as directors to our board at the meeting, including our new President & CEO, Dean Setoguchi, who is standing for election as a director by the shareholders for the first time.

Each nominee is a current director of Keyera and brings extensive experience, professional expertise and industry knowledge to our board. An overview of certain key attributes of our director nominees is provided below. Detailed profiles of each nominee, including their professional experience, meeting attendance, share ownership and other public company directorships are provided starting at page 19.

Our board chair is considered independent under applicable securities laws.[1] All but one of our nominated directors (current President & CEO, Dean Setoguchi) is independent. The board has reviewed the respective independence, qualifications and contributions of each director nominee and recommends their nomination for election to the board.

Director nominees snapshot

	Bertram	Goertzen	Haughey	Manes	Norris	O'Connor	Ripley	Setoguchi	Woodruff
Board Tenure (years)	17(1)	2	7	3	7	6	3	1(2)	4
Independence	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Gender	Male	Male	Male	Female	Male	Male	Female	Male	Female
Age	64	61	64	56	68	65	56	54	64
Citizenship	CDN	CDN	CDN	CDN/US	CDN	US	CDN	CDN	CDN

Notes:

1. Mr. Bertram ceased to be an executive officer of Keyera effective June 1, 2016. While the board considers Mr. Bertram independent, including in accordance with Canadian securities laws, we recognize that certain governance and proxy advisory organizations may require a five-year "cooling-off" period following completion of a former executive officer role to consider a director to be independent. For more information on Mr. Bertram's independence, including measures adopted by the board to address this perspective, please see Director independence discussion at page 34.
2. Mr. Setoguchi was appointed President & CEO and a director of Keyera effective January 1, 2021.

Director nominees profiles

Jim Bertram | Independent [1]

Calgary, Alberta, Canada

Corporate Director

Director since: 2016 [2]

Age: 64

Skills and experience [3]

- Corporate Governance
- Exploration & Production
- Energy Marketing
- Financial Literacy
- Midstream, Infrastructure & Transportation

Mr. Bertram is our board chair. He has served as a non-executive director since 2016. From 2015 to June 1, 2016, Mr. Bertram served as Executive Chairman of Keyera, following his tenure as CEO (2003 to 2015). During his tenure, Mr. Bertram led Keyera through significant growth while enabling consistent delivery of value to its shareholders and customers. Prior to joining Keyera, Mr. Bertram served as Vice President, Marketing of Gulf Canada Resources Ltd., and Vice President, Marketing for Amerada Hess Canada Ltd.

Mr. Bertram graduated with a Bachelor of Commerce from the University of Calgary. He holds an ICD.D designation from the Institute of Corporate Directors.

Mr. Bertram is a corporate director who currently serves on the board of directors of both Emera Inc. and Methanex Corporation. With over 35 years of diverse experience in the energy sector, Mr. Bertram brings extensive midstream, energy marketing, upstream and expertise to our board.

2020 Board and Committee attendance

Chair, Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) [4]
Ex officio member, Audit, Compensation and Governance, and Health, Safety and Environment Committees, respectively

Keyera securities held at March 8, 2021 [5]	
Shares	719,400
DSUs	Nil
Total value [6]	$18,308,730
Share ownership status [7]	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	147,611,132 (98.96%)	1,557,497 (1.04%)
2019	146,299,826 (98.98%)	1,506,863 (1.02%)

Other public company directorships (last 5 years)

Emera Inc., July 2018 to present
Methanex Corporation, October 2018 to present

Blair Goertzen | Independent

Red Deer, Alberta, Canada

Corporate Director

Director since: 2019

Age: 61

Skills and experience [3]

- Business Development
- Capital Markets
- Financial Literacy
- Health, Safety & Environment
- Strategic Planning

Mr. Goertzen was appointed to the board and as a member of our Health, Safety & Environment Committee in August 2019. He was appointed Chair of our Health, Safety & Environment Committee effective May 11, 2021.

In May 2019, Mr. Goertzen retired as President & CEO of Enerflex Ltd. (2011 to 2019), a TSX-listed global supplier, owner and operator of natural gas compression, oil and gas processing and electric power generation equipment, as well as related engineering and mechanical service expertise. Over his career, Mr. Goertzen has held senior leadership roles with IPEC Ltd., Precision Drilling Corporation and Enserv Corporation.

Mr. Goertzen is currently an independent businessman and serves as Chair of the Red Deer Regional Health Foundation. He has served on the board of directors of various public and private companies, including Enerflex Ltd., Zedcor Energy Inc., and IPEC Ltd. With over 30 years' experience in the North America and global energy industry, Mr. Goertzen brings extensive operations, health and safety and risk management expertise to our board.

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) [4]
Audit Committee, 4 of 4 (100%)

Keyera securities held at March 8, 2021 [5]	
Shares	22,821
DSUs	10,667
Total value [6]	$852,270
Share ownership status [7]	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	149,083,978 (99.94%)	84,651 (0.06%)

Other public company directorships (last 5 years)

Enerflex Ltd., June 2011 to May 2019

Doug Haughey | Independent

Mr. Haughey is our independent lead director and chair of our Compensation and Governance Committee. He has served as director since May 2013, and as independent lead director since January 2015.

From August 2012 through May 2013, Mr. Haughey served as CEO of The Churchill Corporation, a TSX-listed commercial construction and industrial services company focused in Western Canada. From 2010 through to its successful sale to Pembina Pipeline Corporation in April 2012, he served as President & CEO of Provident Energy Ltd., a TSX-listed owner/operator of natural gas liquids midstream facilities. From 1999 through 2008, Mr. Haughey held several executive roles with Spectra Energy Corp. and predecessor companies, including President & CEO of TSX-listed Spectra Energy Income Fund.

Mr. Haughey graduated with an MBA from the University of Calgary and a Bachelor of Business Administration from the University of Regina. He holds an ICD.D designation from the Institute of Corporate Directors.

Mr. Haughey is a corporate director who currently serves on the Chair of the board of directors of Fortis Inc. (2016 to present). He previously served as on the board of directors of FortisAlberta Inc. (2010 to 2016) including as board chair (2013 to 2016). With over 35 years' experience in the energy industry, Mr. Haughey brings significant corporate governance, midstream, operations, energy marketing, and executive compensation expertise to our board.

Calgary, Alberta, Canada

Corporate Director

Director since: 2013

Age: 64

Skills and experience [3]

- Corporate Governance
- Energy Marketing
- Enterprise Risk Oversight
- Human Resources & Executive Compensation
- Midstream, Infrastructure & Transportation

2020 Board and Committee attendance

Independent Lead Director, Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) [4]
Chair, Compensation and Governance Committee, 5 of 5 (100%)

Keyera securities held at March 8, 2021 [5]

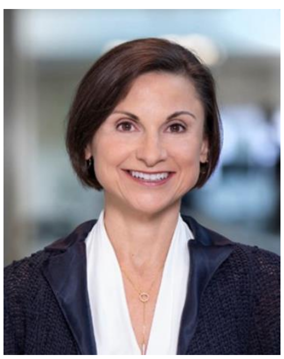
Shares	11,140
DSUs	22,088
Total value [6]	$845,653
Share ownership status [7]	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	148,555,719 (99.59%)	612,910 (0.41%)
2019	147,402,887 (99.73%)	403,802 (0.27%)

Other public company directorships (last 5 years)

Fortis Inc., Board Chairman, September 2016 to present
FortisAlberta Inc., 2013 to 2016



Gianna Manes | Independent

Ms. Manes has served as director since May 2017 and is currently a member of our Health, Safety & Environment Committee. From 2012 to 2020, Ms. Manes served as President & CEO of ENMAX Corporation, a Calgary-based utility company engaged in all aspects of the electricity value-chain. From 2008 to 2012, she served as Senior Vice President and Chief Customer Officer with Duke Energy Corporation, a large public North American power company based in Charlotte, North Carolina.

Ms. Manes graduated with an MBA from the University of Houston and with a Bachelor of Science (Industrial Engineering) from Louisiana State University. She has also completed the Harvard Business School Advanced Management Program. Ms. Manes holds an ICD.D designation from the Institute of Corporate Directors.

Ms. Manes is an independent businesswoman who formerly served as a director of the Canadian Electricity Association. She also served on the board of directors of the Calgary United Way (2015 to 2018), including as co-Chair of the Calgary and Area United Way campaign (2014). Ms. Manes has been recognized for her leadership, including twice as one of Canada's Most Powerful Women by the Women's Executive Network, one of Alberta Venture's Top 50 Most Influential People (2015) and CEO of the Year by Electricity Human Resources Canada (2013). With over 30 years' experience in the energy and utilities industry, Ms. Manes brings extensive operations, environment, health and safety and risk management expertise, as well as a U.S. perspective to our board.

Fort Mill, South Carolina, United States

Corporate Director

Director since: 2017

Age: 56

Skills and experience [3]

- Business Development
- Energy Marketing
- Enterprise Risk Oversight
- Health, Safety & Environment
- Strategic Planning

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) [4]
Health, Safety and Environment Committee, 4 of 4 (100%)

Keyera securities held at March 8, 2021 [5]

Shares	Nil
DSUs	23,777
Total value [6]	$605,125
Share ownership status [7]	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	149,034,379 (99.91%)	134,250 (0.09%)
2019	147,591,671 (99.85%)	215,018 (0.15%)

Other public company directorships (last 5 years)

None

Michael Norris | Independent

Toronto, Ontario, Canada

Corporate Director

Director since: 2013

Age: 68

Skills and experience (3)

- Business Development
- Capital Markets
- Corporate Governance
- Enterprise Risk Oversight
- Financial Literacy

Mr. Norris has served as director since May 2013 and is currently Chair of our Audit Committee (August 2015 to present). From 2003 to 2012, Mr. Norris served as Deputy Chair of RBC Capital Markets, Head of Global Investment Banking (1998 to 2003) and Head of its Energy Practice (1992 to 1998). Mr. Norris previously served in various leadership roles with Mobil Oil, an integrated oil and gas company, and Gulf Canada Resources Ltd., a Canadian integrated gas, oil and resources company.

Mr. Norris graduated with an MBA from the University of Western Ontario and with a B.Sc. degree in Civil Engineering from Queen's University.

Mr. Norris is a corporate director who currently sits on the board of directors 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 extensive financial acumen, capital markets experience and strong risk management expertise to our board.

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) (4)
Chair, Audit Committee, 4 of 4 (100%)

Keyera securities held at March 8, 2021 (5)

Shares	8,653
DSUs	31,673
Total value (6)	$1,026,297
Share ownership status (7)	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	149,034,379 (99.91%)	134,250 (0.09%)
2019	147,591,671 (99.85%)	215,018 (0.15%)

Other public company directorships (last 5 years)

Recipe Unlimited Corporation, April 2015 to present

Thomas O'Connor | Independent

Denver, Colorado, United States

Corporate Director

Director since: 2014

Age: 65

Skills and experience (3)

- Corporate Governance
- Energy Marketing
- Enterprise Risk Oversight
- Financial Literacy
- Midstream, Infrastructure & Transportation

Mr. O'Connor has been a member of the board since January 2014. He is currently a member of our Audit Committee.

From 2007 to 2013, Mr. O'Connor served as Chairman, President & CEO of DCP Midstream LLC, one of the largest gas gatherers, processors and marketers in the U.S. From 2008 to 2013, he served as Chairman of DCP Midstream Partners, a U.S. NGL and natural gas processing company. Mr. O'Connor previously served in various executive roles with Duke Energy Corp., U.S. electric power holding company, including in its natural gas pipeline, electrical and commercial business units.

Mr. O'Connor graduated with a Master's degree in Environmental Studies and a Bachelor's degree in Biology cum laude from the University of Massachusetts Lowell. He is a founding member of the school's College of Sciences board of Advisors. He has completed the Advanced Management Program at Harvard University and Marketing Management Program at Stanford University.

Mr. O'Connor is an independent businessman who currently serves on the board of directors of New Jersey Resources. With over 40 years' experience, Mr. O'Connor brings extensive midstream and transmission operations experience, energy marketing and risk management expertise, as well as U.S. industry perspective to our board.

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) (4)
Audit Committee, 4 of 4 (100%)

Keyera securities held at March 8, 2021 (5)

Shares	8,500
DSUs	26,733
Total value (6)	$896,680
Share ownership status (7)	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	149,081,625 (99.94%)	87,004 (0.06%)
2019	147,597,012 (99.86%)	209,677 (0.14%)

Other public company directorships (last 5 years)

New Jersey Resources, March 2017 to present
8Point3 Energy Partners LP, June 2015 to June 2018
Andeavor Logistics LP (formerly Tesoro Logistics LP), May 2011 to January 2018
QEP Resources, Inc., January 2014 to January 2015

Charlene Ripley | Independent

Vancouver, British Columbia, Canada

Executive, Corporate Director

Director since: 2017

Age: 56

Skills and experience (3)
- Business Development
- Corporate Governance
- Enterprise Risk Oversight
- Human Resources & Executive Compensation
- Sustainability

Ms. Ripley has been a director since May 2017. She is currently a member of our Compensation and Governance Committee.

Ms. Ripley is currently Executive Vice President & General Counsel at SNC-Lavalin Group Inc. (2019 to present) a TSX-listed company that provides engineering, procurement and construction services to various industries. From 2013 to 2019, she served as Executive Vice President, General Counsel at Goldcorp Inc., a TSX and NYSE-listed gold producer. Ms. Ripley has served in various executive leadership roles including Senior Vice President & General Counsel at Linn Energy Inc. (Houston) and Vice President General Counsel, Corporate Secretary & Chief Compliance Officer at Anadarko Petroleum Corporation (Houston).

Ms. Ripley graduated with a Bachelor of Laws from Dalhousie University and a Bachelor of Arts, with distinction from the University of Alberta. She is a member of the law societies of each Alberta and British Columbia and the Texas State Bar. Ms. Ripley has been recognized for her leadership, including with the Business in Vancouver Influential Women in Business Award (2018), Expert Zenith Award for Diversity Celebrating Women in Law (2017), and Women's Executive Network Canada's Most Powerful Women's award (2016 and 2015).

Ms. Ripley currently serves on the National Board for the Canadian Heart and Stroke Foundation. With over 30 years of legal and energy industry experience, Ms. Ripley brings extensive corporate governance, legal and regulatory, risk management and significant transaction expertise to our board.

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) (4)
Compensation and Governance Committee, 5 of 5 (100%)
Health, Safety and Environment Committee, 2 of 2 (100%) (8)

Keyera securities held at March 8, 2021 (5)	
Shares	Nil
DSUs	24,056
Total value (6)	$612,225
Share ownership status (7)	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	148,661,304 (99.66%)	507,325 (0.34%)
2019	147,642,313 (99.88%)	182,376 (0.12%)

Other public company directorships (last 5 years)

None

Dean Setoguchi | Not independent

Calgary, Alberta, Canada

President & CEO

Director since: 2021

Age: 54

Skills and experience (3)
- Business Development
- Capital Markets
- Financial Literacy
- Midstream, Infrastructure & Transportation
- Strategic Planning

Mr. Setoguchi was appointed President & CEO of Keyera effective January 1, 2021. Prior to his appointment, Mr. Setoguchi served in various executive leadership roles with Keyera, including President, Senior Vice President & Chief Commercial Officer, Senior Vice President, Liquids Business Unit and Senior Vice President & Chief Financial Officer. Mr. Setoguchi previously served as Senior Vice President & Chief Financial Officer of Laricina Energy Ltd. and Chief Financial Officer of Cordero Energy Inc.

Mr. Setoguchi is a Chartered Professional Accountant (CPA) and graduated with a Bachelor of Management from the University of Lethbridge.

Mr. Setoguchi currently serves on the board of directors of the Calgary Food Bank. He has previously served on the boards of several public companies and on the board of governors of the University of Lethbridge. With over 30 years of industry experience, Mr. Setoguchi brings strong financial acumen, midstream and marketing and risk management experience to our board.

2020 Board and Committee attendance

N/A

Keyera securities held at March 8, 2021 (5)	
Shares	219,688
DSUs	Nil
Total value (6)	$5,591,060
Share ownership status (7)	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
N/A		

Other public company directorships (last 5 years)

None

West Vancouver, British Columbia, Canada

Corporate Director

Director since: 2015

Age: 64

Skills and experience [3]

- Capital Markets
- Corporate Governance
- Enterprise Risk Oversight
- Financial Literacy
- Strategic Planning

Janet Woodruff | Independent

Ms. Woodruff is a member of our audit committee. She has served as a director since June 2015. From 2014-2015, Ms. Woodruff served as acting Chief Executive Officer of Transportation Investment Corporation, a B.C. transportation infrastructure management company, as well as in various executive leadership roles with the company. She has previously also served as Vice President & Special Advisor to BC Hydro, Interim President and Vice President, Corporate Services, and Chief Financial Officer of BC Transmission Corporation, Chief Financial Officer and Vice President, Systems Development and Performance of Vancouver Coastal Health, as well as various executive leadership positions in finance, risk management and strategic operations at Westcoast Energy.

Ms. Woodruff graduated with an MBA from York University and with an Honours Bachelor of Science from the University of Western Ontario. She is a Fellow Chartered Professional Accountant of British Columbia. Ms. Woodruff holds an ICD.D designation from the Institute of Corporate Directors.

Ms. Woodruff is a corporate director who currently serves on the board of directors of the Altus Group Limited, Ballard Power Systems, Inc., Capstone Infrastructure Corporation and FortisBC, [9] and is a member of the Institute of Corporate Director's BC Chapter Executive. She has also previously served on various non-profit boards. With over 30 years' experience in the energy, transportation and health sectors, Ms. Woodruff brings extensive financial acumen, corporate governance and risk management expertise to our board.

2020 Board and Committee attendance

Board of Directors, 6 of 6 (100%)
Special Board meetings, 4 of 4 (100%) [4]
Audit Committee, 4 of 4 (100%)

Keyera securities held at March 8, 2021 [5]

Shares	2,140
DSUs	18,654
Total value [6]	$529,207
Share ownership status [7]	Compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2020	148,554,246 (99.59%)	614,383 (0.41%)
2019	147,497,656 (99.79%)	309,033 (0.21%)

Other public company directorships (last 5 years)

Altus Group Limited – May 2015 to present
Ballard Power Systems Inc. – April 2017 to present
Capstone Infrastructure Corporation – June 2013 to present[9]
Fortis BC – April 2013 to present[9]

Notes:

1. Discussion of Mr. Bertram's independence is provided starting at page 34.
2. Refers to date Mr. Bertram was appointed to the board as a non-executive member.
3. Skills and experience as identified by each director relative to our director skills matrix. For brevity, the principal skills and experience of each director have been limited to five above. A full listing of the skills and experience of each director is provided in the director skills matrix at page 35.
4. In 2020, four special board meetings were convened by video conference to address various business matters primarily related to the COVID-19 pandemic.
5. Securities owned or beneficially held by each director as at March 8, 2021. Deferred Share Units (*DSUs*) include DSUs credited to participating directors in January and February of 2021 in connection with the payment of dividends.
6. Value calculated based on the 30-day average closing price of our common shares up to and including March 1, 2021 of $25.45.
7. Share ownership status is calculated by dividing total value of shares by director's annual base retainer of $170,000. Refers to compliance with our director share ownership guidelines. For more information on these guidelines, please see page 41.
8. Reflects Ms. Ripley ceasing to be a member of the Health, Safety & Environment Committee effective June 9, 2020.
9. Ms. Woodruff sits on the board of directors of FortisBC (a wholly owned subsidiary of Fortis Inc., which 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).

Cease trade orders, bankruptcies, fines or sanctions

To the Corporation's knowledge, based on information supplied by the director nominees, no director nominee has, within the 10 years preceding the date of this information circular, been a director or executive officer of any company or other entity that, while the nominee was acting in that capacity (or within a year of ceasing to act in that capacity), became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for Mr. Setoguchi.[1]

Further, to the knowledge of the Corporation, and based upon information provided to it by the director nominees, no director nominee has, within the 10 years preceding the date of this information circular, (i) become bankrupt, made a proposal under legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such nominee, or (ii) been a director, chief executive officer or chief financial officer of a company that, during the time the director or executive officer was acting in such capacity or as a result of events that occurred while the director or executive officer was acting in such capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities laws, in each case that was in effect for a period of more than 30 consecutive days.

Further, to the knowledge of the Corporation, and based upon information provided to it by the director nominees, no director nominee has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulator or has entered into a settlement agreement with any securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a shareholder in deciding whether to vote for a director nominee.

[1] Mr. Setoguchi was an executive officer of Laricina Energy Ltd. (*Laricina*) within a year of the date on which Laricina filed for creditor protection under the Companies' Creditors Arrangement Act (Canada) (*CCAA*). Laricina subsequently emerged from CCAA protection on February 1, 2016.

Board governance

Board committees

To provide effective stewardship of key governance areas, the board has adopted a formal committee structure comprised of three standing committees. Each committee has both written terms of reference and position descriptions for their respective chairs. These mandates are approved by the board and reviewed by each committee on an annual basis. Directors serving on committees must be independent, with the exception of our Health, Safety & Environment (HSE) Committee, which must have a majority of independent directors. All members of our HSE Committee are currently independent.

Committees assist the board by overseeing key areas of governance, including financial management and reporting, environmental, health and safety performance, our approach to sustainability, as well as our executive compensation and corporate governance practices. Committees are, in turn, assisted by independent advisors who provide advice and perspective on matters within the committees' respective mandates.

Committee chairs formally report to the board following each meeting. Reports of each committee chair provide the board with an overview of the committee's activities, including items requiring review or recommendations on matters in respect of which board approval is requested. Committee chairs also coordinate with other committee chairs on issues of mutual or overlapping interest to ensure coordinated oversight.

From time to time, the board may also establish temporary ad hoc committees to address specific issues or items of importance not currently within existing committee mandates. No ad hoc committees were appointed by the board in 2020.

Information about each committee, including their terms of reference and chair position descriptions, are available on our website at www.keyera.com.

Committee responsibilities

In discharging its duties, the board is assisted by three standing committees to which it has delegated certain responsibilities. More information about our respective board committees is provided starting at page 25. A summary of key accountabilities of each standing committee is provided below.

Audit Committee	
Members Michael Norris (Chair) Thomas O'Connor Janet Woodruff **100% independent** **Committee membership** 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 each year, each attended by internal and external auditors. Independent directors hold an in-camera session attended by external auditor at each meeting. **2020 membership changes** None	Audit Committee members are independent and financially literate. Each member brings strong financial expertise, as well as capital markets and corporate governance experience and risk management to the committee. In addition to any duties delegated by the board from time to time, the mandate of the audit committee includes the following, which includes items that are recommended to the board for review and, as appropriate, approval: • overseeing integrity of our annual and quarterly financial statements, financial disclosures, as well as internal controls over financial reporting • overseeing compliance with related legal and regulatory requirements • reviewing financial performance and reporting, including our financial statements, MD&A, AIF and other financial disclosures, as well as prospectuses or other offering documents [2] • overseeing corporate dividend policy, financing strategies and related structures • monitoring principal financial risks to Keyera, including commodity, hedging and marketing-related risk, interest rate, foreign exchange and credit-related risk management programs • assisting the board in its oversight of enterprise risk management, including risks related to cyber-security, information technology and related systems, as well as our insurance programs • overseeing matters related to our code of business conduct and compliance policies, and complaints reported to our whistleblower hotline • overseeing the engagement of the external auditor, services and fees • reviewing and approving all non-audit services performed by the external auditor, as well as the scope and plans of corresponding audits and reviews The committee's terms of reference are available at www.keyera.com.

[2] Disclosure regarding our Audit Committee required by Form 52-110F1-Audit Committee Information Required in an AIF, is found at pages 58 and 59 of our 2020 AIF, available on www.keyera.com or www.sedar.com. Copies of our 2020 AIF are also available upon request.

Compensation and Governance Committee (CGC)

Members
Doug Haughey (Chair)
Don Nelson
Charlene Ripley

100% independent

Committee membership
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 consultants, Mercer and/or Hugessen

Each meeting includes an in-camera session attended by the independent directors, and which may also include Mercer and/or Hugessen.

2020 membership changes
None

NEW In March 2021, the board appointed Gianna Manes as a member of the committee effective May 11, 2021.

Compensation and governance committee members are independent. Each member brings strong corporate governance, human resources, executive compensations, and risk management expertise to the committee.

The committee assists the board in respect of the oversight of: (i) director, executive and employee compensation; (ii) our overall compensation program; (iii) our corporate governance practices; (iv) monitoring board and director effectiveness; and (v) identifying prospective director candidates. The mandate of the committee includes the following items, which are recommended to the board, for review and, as appropriate, approval:

- assisting with CEO and executive succession planning
- reviewing our compensation philosophy and pay practices
- reviewing compensation arrangements, including annual compensation, for our CEO and executives
- establishing annual and long-term performance metrics and corresponding objectives for our short and long-term incentive plans
- assessing corporate and individual performance for purposes of determining annual incentive and long-term incentive award eligibility
- reviewing new incentive compensation plans or amendments
- overseeing our corporate programs and practices
- reviewing compensation and corporate governance disclosure in our annual management information circular
- overseeing board chair and director succession planning
- assessing and monitoring director independence
- developing and monitoring director orientation and continuing education
- annual evaluation of the effectiveness of our board, its committees and directors and implementing follow up actions
- identifying and recruiting potential director nominees in accordance with board recruitment objectives, including our director skills matrix

The committee's terms of reference are available at www.keyera.com.

Health, Safety and Environment (HSE) Committee

Members
Blair Goertzen (Chair)
Gianna Manes
Thomas O'Connor

100% independent

Committee membership
Must be comprised of a minimum of three directors.

Committee meetings
Holds three regularly scheduled meetings, and in 2020, added an additional meeting to its annual schedule. Each meeting is concluded with an *in camera* session attended by the independent directors only.

2020 membership changes
Charlene Ripley ceased to be a member of the committee effective June 9, 2020.

NEW In March 2021, in anticipation of the retirement of Don Nelson, the board appointed Blair Goertzen as HSE committee chair and Tom O'Connor as a member of the committee effective May 11, 2021.

All HSE committee members are currently independent. Each member bring strong corporate governance, health and safety, environmental management, sustainability and risk management expertise to the committee.

In addition to other duties delegated by the board from time to time, the committee mandate includes the following:

- monitoring workplace health and safety programs and performance, including operational excellence and related reporting
- reviewing our sustainability and ESG priorities, practices and related reporting
- overseeing our greenhouse and carbon emissions performance, reporting and reduction and optimization initiatives, as well as monitoring regulatory compliance, trends and best practices
- overseeing our environmental stewardship programs and practices; including in respect of land management, reclamation and asset retirement obligations, as well as related regulatory compliance and reporting
- establishing safety, environmental and operational performance metrics and evaluating annual performance for purposes of our annual incentive plan
- monitoring our asset management, pipeline and facility integrity programs and related performance as well as related compliance and reporting
- monitoring compliance with applicable legal, regulatory and industry standards
- overseeing the identification, assessment and mitigation of operational and business risks areas within the committee's mandate

The committee's terms of reference are available at www.keyera.com.

Role of the board

The board is responsible for providing oversight of the Corporation's strategy, business and financial affairs and enterprise risk management. The board also determines our approach to corporate governance, including executive compensation and succession planning and ensuring appropriate mechanisms and controls are in place to ensure principled and ethical business conduct and a healthy corporate culture.

Our board is governed by written board mandate, attached to this 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.

Strategic planning

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

Utilize our assets to access high-value markets

The board plays an integral role in the development and evaluation of Keyera's strategic direction, including oversight of key sustainability and ESG matters. Progress relative to our strategic objectives is monitored throughout the year through detailed management updates provided at each board meeting. On an annual basis, the board holds a dedicated two-day strategy session. This session provides an opportunity for the board to examine strategic initiatives, longer-term operational, financial and industry forecasts, corporate opportunities and threats, as well as emerging macro and industry trends. The session also provides an opportunity to receive and consider the perspectives of external experts on key issues impacting our business and industry. As part of its commitment to succession planning, the board also receives presentations from next level leaders and emerging talent at the strategy session.

Financial oversight

The board is responsible for oversight of financial management and reporting. Assisted by the audit committee, the board reviews and approves our annual and quarterly financial statements, accompanying management's discussion and analysis and earnings releases, as well as financing strategies, our participation in the capital market and related disclosures. It also oversees our compliance with applicable audit, accounting and financial reporting requirements, and approves our annual operating and capital budgets. The board approves any significant changes to our accounting policies and practices.

From a regulatory perspective, the board is responsible for ensuring robust procedures are in place to track internal controls for financial reporting, internal audit, fraud and auditing matters, and monitors reports or complaints received directly by management or through our Hotline.

Risk management

The board is responsible for overseeing our financial and business risks, as well as enterprise risk management. Principal risks are regularly reviewed by the board to ensure these are identified, examined and appropriate mitigation practices are in place. This review includes increasing focus on ensuring strong oversight of current and emerging sustainability and ESG-related risks.

The board supplements its enterprise risk management oversight through the use of its committee structure. Each committee is delegated accountability to oversee specific risks within their respective mandate. Where necessary, committees retain external advisors to provide independent analysis and advice on specific areas of risk. To maintain coordinated oversight, each committee chair reports to the board at each board meeting. Individual director perspectives on enterprise risk is also solicited through regular one on one discussions with the board chair and our formal annual board evaluation processes.

NEW In 2020, the board, working with the audit committee, initiated a refresh of our existing enterprise risk management practices, with the assistance of PricewaterhouseCoopers LLP (PwC). This review is intended to provide the board with a fresh perspective on Keyera's most material risks, as well as recommendations on how to enhance our existing risk management framework. Results of this review will be provided to the board in 2021.

Detailed information regarding material risks applicable to Keyera are included in the "Risk Factors" section of our 2020 AIF available on our website at www.keyera.com or at www.sedar.com.

ESG oversight

Structured oversight of material ESG-related issues is integral to the board's stewardship of our strategy and maintaining long-term corporate resilience. The board is responsible for monitoring our approach to sustainability and ESG matters, including ensuring appropriate systems are in place to identify, track and report our performance. A key component of this oversight includes monitoring our approach to stakeholder engagement.

In respect of its oversight responsibilities, the board is assisted by its three standing committees: audit; compensation and governance (CGC); and health, safety and environment (HSE) committees, each of which plays a critical role in monitoring sustainability and ESG-related issues within their respective areas of responsibility.

- **Audit committee** - ensures overall corporate financial integrity, assists with enterprise risk management and monitors compliance with our code of business conduct (the *code*) and related compliance policies, including complaints received through our whistleblower hotline. Reports involving potential financial wrongdoing are reported directly to our audit committee chair.

- **CGC** - oversees our executive and director compensation programs and corporate governance practices, assists the board with enterprise risk management, including encouraging an independent, diverse and engaged board. The committee also assists with CEO and executive succession planning, as well as, overseeing the development and execution of workplace policies and initiatives, including in respect of diversity, equity and inclusion.

- **HSE committee** - oversees Keyera's workplace health and safety program, environmental stewardship practices, greenhouse gas and carbon emissions reduction initiatives, water management, related reporting, as well as asset retirement and land management reclamation programs. The committee also oversees our pipeline and asset integrity programs and related regulatory compliance and reporting.

In 2020, the board worked closely with management to conduct a comprehensive review of our sustainability and ESG-related approach. This review included a materiality assessment, including conducting interviews with our largest shareholders, board members, senior executives, operational and functional leaders and other stakeholders. Feedback was solicited on the nature and clarity of our existing ESG disclosures and the board evaluated both the approaches of our peers and best practices. To ensure candid feedback, interviews were conducted by a third-party advisor with significant ESG strategy expertise, who presented their findings to the board.

Following completion of this assessment, the board approved six material ESG factors. These factors formed the basis of our inaugural ESG Report released in December 2020:

Safety of people and operations

People and culture

Emissions

Community and Indigenous engagement

Land management

Water

These ESG factors and additional sustainability considerations have been integrated into our strategic planning, capital allocation and investment decisions and how we measure our performance. The board is committed to monitoring Keyera's progress relative to these factors and sharing our performance through clear and transparent ESG disclosures in the future.

NEW Starting in 2020, key safety, environmental and operational performance measures, including emissions reductions objectives constitute 30 percent of the corporate performance component of annual incentive awards for all employees, including our executives. This balanced scorecard approach will also be used to determine 2021 annual incentive awards.

Executive compensation

All decisions involving our CEO and executive compensation are reviewed by the CGC and approved by the board. Through effective program design and careful decision making, the board seeks to ensure that compensation outcomes reinforce our pay for performance focus and align with shareholder interests. In doing so, the CGC and board are assisted by independent compensation consultants who provide advice on annual executive compensation and overall program design. For more information regarding our approach to executive compensation, see our compensation discussion and analysis starting at page 52.

Leadership succession

Among the board's most critical responsibilities is succession planning for our CEO and senior executive roles. Assisted by the CGC, the board reviews executive succession, including the readiness of potential internal candidates on an ongoing basis. More formally, the CGC and board review the status of our executive succession and talent development programs on an annual basis.

The board has engaged an external firm to provide comprehensive leadership development for our senior executives, including potential CEO succession candidates. In 2020, the CGC and board reviewed progress relative to these development efforts on an ongoing basis to assist with CEO succession planning, as well as other changes made to our senior executive team during the year. These changes were as follows:

- In September, we announced the appointment of Dean Setoguchi to President & CEO effective January 1, 2021, following the retirement of former CEO, David Smith, effective December 31, 2020. This announcement followed Mr. Setoguchi's promotion to President from Senior Vice-President & Chief Commercial Officer (CCO) earlier in the year.
- In September, Jamie Urquhart was promoted to Senior Vice President & CCO from Vice President, Marketing.
- In May, Eileen Marikar was promoted to Senior Vice President & CFO from Vice President, Finance, replacing former Senior Vice President & CFO, Steven Kroeker.
- In March, Dion Kostiuk was promoted to Senior Vice President, Human Resources and Corporate Services from Vice President, Human Resources.

These changes reflect the board's focus on multi-year executive succession planning, as well as encouraging strong diversity within our senior leadership team, as discussed further under "Leadership diversity" below.

Board succession

Director succession planning is a key governance accountability of the board. Assisted by the CGC, the board uses formal processes to facilitate board succession, including conducting individual director and board effectiveness evaluations. Each year, the CGC also examines the composition, skills and tenure of our board relative to our director skills matrix to identify areas for development, as well as desired skills and experience for prospective director candidates.

Board succession was examined throughout 2020, including in anticipation of the retirement of director Don Nelson in May 2021. As part of this review, the board engaged an external search firm and reviewed prospective director candidates relative to our director skills matrix, as well as current needs of the board. As part of these efforts, updates were approved for our director skills matrix to clarify and expand the range of skills and experience required by the board. Our updated director skills matrix is provided at page 35.

Leadership diversity

Management diversity

The board is responsible for ensuring we attract and retain highly qualified senior executives with the breadth of experience and perspective necessary to manage and advance our business. In respect of diversity, the board seeks to ensure our senior executives reflects our workforce and stakeholders and strengthens our organizational culture.

Keyera currently has not adopted formal targets for women in executive roles. In 2020, two of our five senior vice presidents (or 40 percent) reporting to President, Mr. Setoguchi and former CEO, David Smith, were women.[3] Including then President, Mr. Setoguchi, two (or 33 percent) of our six senior executives in 2020 (excluding former CEO, David Smith) represented visible minorities and one (or 17 percent) was of Indigenous heritage.[4]

[3] Refers to the five senior vice presidents reporting to Messrs. Setoguchi and Smith at December 30, 2020
[4] Refers to our senior executives as at December 30, 2020

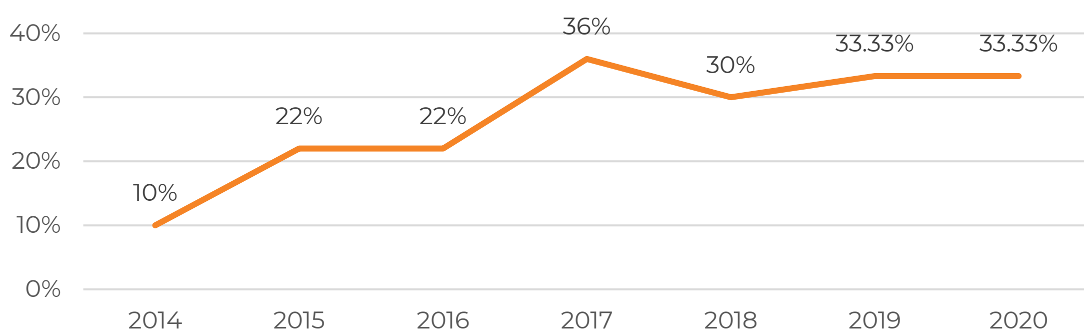
The board and senior executive team continue to seek ways to increase the degree of gender and other forms of diversity within our leadership and technical talent. Diversity and inclusion strategies, as well as internal gender pay equity, are reviewed annually by the CGC. Management also uses gender distribution analytics and data tracking as part of our internal succession planning processes. To enhance awareness and sensitivity within our workforce, Keyera has also engaged external diversity and inclusion experts and held facilitated sessions for leaders and staff.

Board diversity

Keyera believes strong governance and effective decision making is best achieved through encouraging balanced and diverse perspectives and open debate, among our directors. This approach to diversity is outlined in our board renewal guidelines. Our board renewal policy provides a written policy on diversity, including gender, however, the board currently seeks to achieve this objective without mandatory quotas or targets. The CGC and the board regularly monitors its composition relative to its diversity objectives including in respect of gender.

Since 2015, three of the four independent directors (75 percent) appointed to our board have been women. In respect of the independent director nominees standing for re-election at this meeting, three of the eight (or 38 percent) are women. The impact of the board's continued focus on encouraging gender diversity among our independent directors over the past six years is illustrated in the graph below:

Percentage of Female Director Nominees



When seeking potential director candidates, the board also focuses on broader diversity characteristics including ethnicity, age, geographic representation, as well as professional experience. The board continues to closely monitor best practices, as well as regulatory developments, in respect of board diversity and inclusion as part of its commitment to strong corporate governance.

Ethical business conduct

The board also provides oversight to encourage a culture of integrity, transparency and accountability. This is achieved through policies and practices designed to ensure ethical business conduct, including robust mechanisms to detect and address potential wrongdoing.

Our commitment to ethical conduct is articulated in the code, which applies to all directors, officers, employees and contractors. Based on our corporate values of Integrity, Trust, Responsibility, and Accountability, the code defines Keyera's expectations regarding the observance of ethical behavior as well as legal and regulatory compliance, including individual responsibility to report suspected wrongdoing. The code also 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.

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
- political contributions and lobbying
- health, safety and environmental matters
- integrity of financial information
- privacy and confidentiality
- protection of corporate assets
- public and stakeholder relations
- appropriate workplace conduct

Executives, employees and certain contractors are required to formally re-certify their commitment to the code and conduct policies each year. The board also reviews and updates the code and conduct policies 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 on 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.

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 2020 AIF available on www.sedar.com.

Whistleblower hotline

Reporting of suspected wrongdoing is required of all employees and encouraged among our contractors, customers and stakeholders. Reports can be made to any leader, our Senior Vice President and General Counsel, or anonymously through our whistleblower hotline (our *hotline*).

The hotline is administered by an external third-party provider and enables anonymous 24-7 reporting of any alleged unethical or improper conduct. Reports made to the hotline are provided directly on to our Senior Vice President and General Counsel for investigation and follow-up. Complaints or concerns reported internally, including those of a human resources nature, are addressed using similar investigation and reporting protocols. Reports involving any accounting, internal accounting control, auditing or other financial irregularity are provided directly to the audit committee chair. Activities involving the code, including complaints made via the hotline, are reported to and discussed with the audit committee on a quarterly basis. Significant concerns and investigations are reported to the full board.

Shareholder engagement

Keyera regularly engages with our shareholders through accurate and timely public reporting, as well as ongoing dialogue regarding our strategy, financial and operational performance, ESG approach and corporate governance practices. Shareholder engagement is also achieved through a consistent schedule of investor meetings, investor conferences and one-on-one meetings. During these engagement opportunities, feedback is actively solicited from shareholders about our activities. This feedback is provided to the board at regularly scheduled meetings and discussed at its annual strategy session. Examples of some of the shareholder engagement activities undertaken in 2020 are outlined below.

Shareholder Event	Participants	Nature of Engagement
ESG	External ESG advisor	As part of the ESG materiality assessment undertaken in 2020, an ESG strategy expert was retained to interview our largest shareholders to seek feedback on our most material ESG issues and the quality of our ESG disclosures. Results of these interviews were reported by this third party directly to our board.
CCGG	Board chair and CGC chair	In 2020 our board chair and CGC chair met with representatives of the Canadian Coalition for Good Governance to discuss our executive compensation program and corporate governance practices
Investor presentations, meetings and calls	Senior executives	Throughout the year, Keyera engages with domestic and global investors through in-person or virtual presentations and meetings and calls. These interactions provide an opportunity to discuss our strategy, operations, financial performance and ESG approach. In 2020, we participated in over 233 investor meetings.
Broker sponsored conferences	Senior executives	Management attended 16 broker sponsored conferences in 2020, providing an overview of our strategy and operations to the investment community.
Investor Tours	Senior executives	Throughout the year, Keyera invites members of the investment community to participate in field tours of its various operations. Due to public health risks associated with the COVID-19 pandemic, Keyera did not conduct investor tours in 2020.
Quarterly conference calls	Senior executives	Each quarter, Keyera engages directly with the investment community to review and respond to questions regarding our most recently released financial and operating results.

Contact the board

Directors are also available to engage directly with shareholders, as appropriate. Direct feedback may also be provided using the contact information below:

To Management:

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

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 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 Keyera.
Board Independence	Our board chair and each committee chair are independent. Each committee is comprised of independent directors only. 89 percent of our director nominees are independent.
Independent Lead Director	The board has determined to maintain Doug Haughey as our independent lead director until at least June 2021.
Board Diversity	Our board renewal policy includes a written policy on diversity. The board continues to focus on achieving the objectives of this policy, with 3 of the 8 (or 38 percent) of our independent director nominees being women.
Risk Oversight	To assist our board in overall enterprise risk management (*ERM*), each committee is tasked responsible to review and monitor specific areas of risk within its mandate. Each year the board completes an overall enterprise risk review. In 2020, the board approved retaining PwC to complete a review of our current ERM practices and make recommendations on how to enhance our current ERM program.
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	Director compensation is market-based and targeted to be at the median (P50) of market data. In 2020, our directors elected to reduce annual director compensation by 20 percent to reflect the challenging economic conditions arising from the COVID-19 pandemic.
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.
Director Skills Matrix	We have a formal director skills matrix and monitor board effectiveness and individual director competencies as part of our annual board evaluation and director succession planning processes.
Director Orientation and Education	We have an established director orientation process and ongoing board education program.
Say on Pay	Each year, we hold an annual advisory vote on our approach to executive compensation.
Code of Conduct	The board oversees our code, which articulates our expectation that our directors, executives, employees and certain contract personnel observe the highest standards of integrity and ethical behaviour.
Shareholder Engagement	We have a robust investor relations program. Shareholders may also contact our board directly. In 2020, our board chair and independent lead director also met with representatives of the Canadian Coalition of Good Governance to discuss our executive compensation and corporate governance practices.
Director Attendance	All of our directors had 100 percent attendance at our board and committee meetings in 2020.

Serving as a director

Director independence

Independence is a key aspect of an effective board of directors. Of our nine 2020 director nominees, eight are considered independent. Our President & CEO, Dean Setoguchi, 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 HSE committee must be independent, all members are currently independent. To facilitate regular candid discussion among our independent directors, the board and each committee meet in camera, without management present, at each meeting. Our independent directors met in camera at each board and committee meeting in 2020.

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

Independent lead director

Our board chair, Jim Bertram, was considered independent under Canadian securities rules effective June 1, 2019, following completion of a three-year period since the cessation (on June 1, 2016) of his role as an executive officer of Keyera. Although Mr. Bertram has been independent since that time, the board recognizes that certain governance and proxy advisory organizations may require completion of a five-year (versus three-year) cooling off period before, as a former executive, they may consider a director to be independent.

To mitigate these concerns, the board has determined to retain Doug Haughey as our independent lead director for the immediate term. In this capacity, Mr. Haughey provides leadership to the independent directors and assists to oversee board, committee and individual director effectiveness. He also serves as liaison among the board chair, other independent directors and the CEO. It is anticipated that Mr. Haughey will remain as independent lead director until at least June 1, 2021, following which the board will evaluate whether to maintain an independent lead director role.

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 strongly values Mr. Bertram's board experience and contributions as board chair.

Independent judgment

In addition to the above, the board has also adopted the following measures to facilitate the exercise of independent judgment and identification and mitigation of potential conflicts of interest.

Maintaining Independent Judgment	Mitigating Conflicts of Interest
✓ The board and its committees retain 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, evaluation and individual questionnaire processes and is based on Canadian Securities Administrators' standards - NI 58-201 *Corporate Governance Guidelines* and NI 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 must immediately advise the board chair, independent lead director and corporate secretary of any changes that could affect their independence.	✓ 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 must 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. Such engagements are referred to the CGC for review and resolution.	✓ Directors are required to annually and throughout the year disclose any outside boards and other significant relationships, including any which could pose a conflict.
✓ None of our nominated directors receive or have received, directly or indirectly, compensation from Keyera other than for services as a director, as described at page 40.	✓ Directors must recuse themselves from any discussion, decision and/or voting on any matter in which the director has an actual or may have a potential conflict of interest.

Director skills matrix

The board believes effective oversight is best achieved by a composition of directors with a broad range of experience, expertise and competencies relevant to our business. The board also seeks to ensure directors bring a diversity of perspective to support informed decision-making and encourage constructive debate. To assess our current board composition and suitability of prospective director candidates, the board uses the following director skills matrix, which was updated by the CGC and approved by the board in 2020:

Director skills and experience	
Executive Leadership	Experience leading an organization as CEO or CFO, functional area or significant business segment of an organization
Corporate Governance	Strong understanding of corporate governance gained through experience as a senior executive or board member of public or private companies
Financial Literacy	Ability to critically assess and analyze financial statements and projections, executive or management experience in financial reporting, accounting and corporate finance
Strategic Planning	Executive or management experience related to evaluation, development and implementation of strategic plans, business growth or optimization strategies
Enterprise Risk Oversight	Experience related to the identification, evaluation and implementation of strategies, processes and procedures to address and mitigate material organizational risks including key strategic, financial, operational legal/regulatory and other risks
Business Development	Experience related to business development, mergers, acquisitions, joint ventures, strategic combinations, commercial opportunity creation
Capital Markets	Strong understanding of capital markets, financing arrangements and transactions, investor relations, investment banking gained through executive oversight or direct experience
Human Resources and Executive Compensation	Executive or management experience related to human resources, talent management, succession planning and compensation, oversight of workplace culture and policy developments, including diversity and inclusion
Core industry experience	
Health, Safety and Environment	Experience related to oversight of workplace health and safety, environmental management, asset and pipeline integrity management, operational optimization and regulation of energy-related activities
Sustainability	Experience related to sustainability matters relevant to the energy industry including emissions, safety, water and land management, diversity, indigenous engagement, community relations, as well as the analysis and evaluation of sustainability metrics
Midstream, Infrastructure and Transportation	Executive or management experience related to the energy midstream, infrastructure and transportation industries
Exploration and Production	Experience related to the operation of oil and gas assets, exploration and production of oil, gas and natural gas liquids (*NGLs*)
Energy Marketing	Executive or management experience related to the marketing of energy products, including commodity markets and trading, hedging and related risk management

2020 Director skills and experience

An overview of the respective primary areas of experience and expertise of our director nominees relative to our director skills matrix is provided below:

Skills and Experience	Bertram	Goertzen	Haughey	Manes	Norris	O'Connor	Ripley	Setoguchi	Woodruff
Executive Leadership	●	●	●	●	●	●	●	●	●
Corporate Governance	●	●	●	●	●	●	●	●	●
Financial Literacy	●	●	●	●	●	●		●	●
Strategic Planning		●	●	●	●	●	●	●	●
Enterprise Risk Oversight			●	●	●	●	●	●	●
Business Development	●	●	●	●	●	●	●	●	
Capital Markets	●			●	●	●	●	●	●
Human Resources / Executive Compensation	●	●	●	●	●	●	●	●	●
Health, Safety & Environment	●	●		●		●			
Sustainability				●		●	●		
Midstream, Infrastructure & Transportation	●		●			●		●	
Exploration & Production	●				●		●	●	
Energy Marketing	●		●	●		●		●	●

Director meeting attendance

Our board is characterized by a strong level of commitment and engagement. Directors are expected to attend all board and committee meetings unless there are unavoidable conflicts or extenuating circumstances. Director meeting attendance is monitored by the CGC and reviewed annually by the board. In 2020, director meeting attendance was 100 percent, as illustrated below:

Director	Board	Special Meetings[1]	Audit	CGC	HSE[3]	Total Attendance
Bertram	6/6	4/4				10/10 (100%)
Goertzen[1]	6/6	4/4			4/4	14/14 (100%)
Haughey	6/6	4/4		5/5		15/15 (100%)
Manes	6/6	4/4			4/4	14/14 (100%)
Nelson	6/6	4/4		5/5	4/4	19/19 (100%)
Norris	6/6	4/4	4/4			14/14 (100%)
O'Connor	6/6	4/4	4/4			14/14 (100%)
Ripley[2]	6/6	4/4		5/5	2/2	17/17 (100%)
Smith	6/6	4/4				10/10 (100%)
Woodruff	6/6	4/4	4/4			14/14 (100%)

Notes:

1. Special meetings of the board were held throughout 2020 by video conference to address various business matters primarily related to the COVID-19 pandemic.
2. Ms. Ripley ceased to be a member of the HSE Committee effective June 9, 2020.
3. In 2020, the HSE Committee held an additional meeting and determined to hold four regular scheduled meetings per year going forward.

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 the 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, however the board is aware that Gianna Manes has been recently nominated to join the Fortis Inc. board of directors, subject to approval by the company's shareholders in May 2021. The CGC and the board have evaluated this situation and determined there to be no conflict. However, should a potential conflict emerge, it will be effectively managed by the board. On this basis, the board has approved this potential interlock. The following directors were directors of other reporting issuers (or equivalent) at as March 24, 2021.

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

Board tenure

The board has adopted an informal retirement age policy under which a director will generally not stand for re-election after reaching age 72 or serving 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 prior to June 1, 2016 was related to his acting as executive officer of Keyera.

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

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 2020, directors completed formal questionnaires, including peer reviews, to provide feedback on the effectiveness of the board, its committees, the board chair, independent lead director, and the board's relationship with management. Individual directors also participated in one-on-one interviews and completed individual performance assessments to evaluate their skills and contributions, including relative to our director skills matrix. Results were collected and provided to the board chair and independent lead director for review and follow-up one-on-one discussions with each director.

Key themes were also circulated to all independent directors for review and discussion during in-camera sessions of the next CGC and board meeting as well as the board's strategy offsite. This information is also used to identify opportunities for director orientation and continuing education.

Board renewal

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

- breadth of competencies, experience and perspective among existing board members;
- competencies, experience, and skills required by our board, including relative to our director skills matrix;
- additional or complementary experience, perspectives or skills a director 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 maintains a list of potential candidates and engages an external firm to assist in the identification of qualified director candidates.

Director orientation

The CGC is responsible for 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, CEO and senior executive team, as well as representatives of management to 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.

Due to the COVID-19 pandemic, directors did not participate in field tours of our facilities in 2020, however were able to attend virtual events, including our company-wide annual safety symposium.

Continuing education

Throughout the year, directors receive presentations and updates to enhance their understanding of key aspects of our business and developments impacting our industry. Outside of regular meetings, directors are encouraged to participate in continuing education through a paid subscription to the Institute of Corporate Directors and are reimbursed for the costs of relevant courses, certifications and conferences. Corporate governance materials are also made available to directors through our online director portal.

In 2020, the board received presentations from management and external speakers at regular meetings and its annual strategy session. Presentations included various topics including ESG, capital markets trends, market fundamentals, cyber security, corporate governance, political trends in Canada and the U.S., enterprise risk management and key regulatory developments, including in respect of emissions and carbon pricing.

Some examples of specific presentations and business updates provided to the board in 2020 include:

Description	Board or Committee
COVID Pandemic Planning & Updates	Board of Directors & HSE Committee (throughout 2020)
ESG: Shareholder Feedback & Capital Markets Considerations *	Board of Directors
2021 Business Outlook *	Board of Directors
ESG & Sustainable Finance *	Board of Directors
Political Landscape Overview (Canada & U.S.) *	Board of Directors
Diversity Strategy & Gender Pay Equity Analysis	Board of Directors
Valuation Considerations: Keyera & Peer Analysis	Board of Directors
North America Midstream Market Update	Board of Directors
Enterprise Risk Management Update	Board & Audit Committee
Investor Relations & Shareholder Sentiment Update (quarterly)	Board & Audit Committee
Marketing Risk Management Update (Quarterly)	Audit Committee
Capital Markets & Financing Strategies Overview	Audit Committee
Cyber Security & Risk Mitigation Review	Audit Committee
Executive Compensation Governance & Peer Practice Review`	CGC
Gender Diversity Update	CGC
Executive Employment Agreement & LTIP Considerations	CGC
Health & Safety Program Update (Quarterly)	Board & HSE Committee
ARO & Asset Liability Regulatory Overview & Update	HSE Committee
Climate Change: Emissions Target Modelling & Regulatory Update	HSE Committee
Facility Reliability Update	HSE Committee
Operational Excellence & Asset Management Update	HSE Committee
Integrity Programs Review	HSE Committee
Land Management & Facility Decommissioning Update.	HSE Committee

* denotes presentation from external speaker

Board dinners

Prior to each regularly scheduled meeting, our directors and senior executives usually hold a board dinner. Board dinners are intended to provide directors an opportunity to interact, including with management, as well as discuss key matters related to our business. Board dinners also enable directors to achieve the following governance objectives:

- discuss important topics or trends affecting our business, strategy or industry at large;
- engage with the CEO and senior executive team in a less formal setting;
- provide an opportunity for directors to engage and strengthen their working relationship;
- provide line of sight to assess leadership talent beyond the senior executive team; and
- assess organizational culture and internal collaboration through direct interaction.

Although the board held an in-person dinner in February 2020, it subsequently moved to virtual social events due to the COVID-19 pandemic, including the board's annual strategy offsite held in June.

Interaction with management

Open dialogue is actively encouraged between the board and management both at and in between regularly scheduled meetings. Such direct interaction is encouraged to enhance the board's understanding of our business and provide transparency into our culture and the depth of our 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 corresponding risks in an increasingly complex environment. Director compensation reviewed by the CGC and approved by the board. To remain competitive and attract engaged, qualified candidates, director compensation is generally targeted at the median (or P50) range of a corresponding peer group.[5]

For purposes of this discussion, director compensation refers to remuneration for our independent directors only, and excludes former CEO, David Smith, who received no remuneration from Keyera in his capacity as a director in 2020.

Compensation structure

Director compensation is structured to provide 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 for required air travel to and from board and committee meetings. 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 experienced unusually high levels of activity or engagement. No such discretionary fees were paid to our directors, including for additional meetings held in 2020. The value of annual compensation paid to our directors in 2020 is presented in the table below.

NEW In April 2020, upon recommendation of the CGC, the board approved a temporary 20 percent reduction to 2020 annual director compensation to reflect the challenging economic conditions arising from the pandemic. These reductions, which applied from mid-April to December 31, 2020, are shown in the table below.

Board position	2020 Annualized Retainer (January to Mid-April)	2020 Reduced Annualized Retainer (Mid-April to December)
Board Chair[(1)]	$285,000	$228,000
Independent Lead Director[(2)]	$220,000	$176,000
Independent Directors	$170,000	$136,000
Committee annual retainers		
Audit Committee Chair	$45,000	$36,000
Committee Chair (CGC & HSE)	$30,000	$24,000
Committee member	$15,000	$12,000

Notes:
1. For Mr. Bertram, includes annual base retainer of $170,000 plus additional board chair annual retainer of $115,000.
2. For Mr. Haughey, includes annual base retainer of $170,000 plus additional independent lead director annual retainer of $50,000.

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 incentive compensation, pension or employee benefit plans. No meeting fees were paid to our directors in 2020 beyond the amounts set out above.

The only equity-based awards received by our directors, should they elect to receive them 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

Each year, directors may elect to receive their annual compensation in cash, DSUs, or a combination of the two. Directors who elect to receive DSUs instead of cash receive them quarterly in arrears, consistent with the

[5] For purposes of benchmarking director compensation, the CGC and board refer to competitive data from our compensation peer group provided by Mercer (described at page 48).

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 (*VWAP*) price of Keyera common 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 Keyera 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 VWAP of our common shares over the twenty trading days prior to the date such director ceases to hold office.

For 2020, Blair Goertzen, Doug Haughey, Gianna Manes, Michael Norris, Thomas O'Connor, Charlene Ripley and Janet Woodruff each elected to receive all or a portion of their director compensation in DSUs. Details regarding the 2020 DSU elections made by our directors is provided in the "Director equity-based awards" table at page 41.

Director share ownership requirements

Keyera has had director equity ownership guidelines since 2003. Our current share ownership guidelines (the *guidelines*) require each director to hold Shares with a value equivalent to three times their base annual retainer. Directors must reach this share ownership threshold within five years of appointment to the board. Directors may count DSUs they elect to receive as their annual retainer toward their share ownership requirements. Keyera also has share ownership requirements for its executive officers, described at page 50.

Directors who do not meet their required share ownership must receive at least 60 percent of their annual compensation in DSUs. The current share ownership levels and the compliance status of each director is set out in their profiles starting at page 19. As of March 8, 2021, all directors are in compliance with the guidelines.

Hedging policy

Directors are subject to anti-hedging prohibitions, which disallow speculative trading in respect of Keyera securities. For more information regarding these prohibitions, see page 50.

Director equity ownership

The following table shows the value of outstanding shares and share-based awards (i.e. DSUs) for each independent director calculated as at March 8, 2021 relative to their annual base retainer and director share ownership requirements.

Director	Shares beneficially owned or controlled (#)[1]	DSUs (#)[2]	Total value of shares & DSUs ($)[3]	Equity as multiple of base retainer[4]	Guideline Compliance	2020 DSU Election (% of total annual base retainer)
Bertram	719,400	Nil	$18,308,730	108x	100%	0%
Goertzen[5]	22,821	10,667	$852,270	5x	100%	100%
Haughey	11,140	22,088	$845,653	5x	100%	50%
Manes[5]	Nil	23,777	$605,125	4x	100%	100%
Nelson	84,115	Nil	$2,140,727	13x	100%	0%
Norris	8,653	31,673	$1,026,297	6x	100%	50%
O'Connor	8,500	26,733	$896,680	5x	100%	100%
Ripley[5]	Nil	24,056	$612,225	4x	100%	100%
Woodruff[5]	2,140	18,654	$529,207	3x	100%	60%

Notes:
1. Refers to number of shares beneficially owned or controlled by each director as of March 8, 2021.
2. Number of DSUs has been rounded to the nearest whole number and includes DSUs credited to each director in January and February 2021 in connection with the payment of dividends.
3. The value of securities has been calculated based on the 30-day average closing price of common shares up to and including March 1, 2021, which was $25.45 per share as per the guidelines.
4. Multiples in this column have been calculated by dividing the value of shares by $170,000, the base annual retainer amount (rounded to the nearest whole number).
5. Mr. Goertzen was appointed to the board effective August 6, 2019; Ms. Ripley on June 13, 2017; Ms. Manes on May 9, 2017.

2020 director compensation

The following table sets out all compensation paid to our independent directors for the year ended December 31, 2020. As directors receive no option-based, non-equity incentive plan compensation or pension, corresponding columns have been omitted from the table below.

Director	Fees earned ($) (2)	2020 DSU Election (% of annual retainer)	Total ($)
Bertram	244,625	Nil	244,625
Goertzen	158,792	100%	158,792
Haughey	214,583	50%	214,583
Manes	158,792	100%	158,792
Nelson	184,542	Nil	184,542
Norris	184,538	50%	186,038
O'Connor	158,792	100%	160,292
Ripley	165,667	100%	165,667
Woodruff	158,792	60%	160,292

Notes:
1. Former CEO, David Smith, received no compensation as a director in 2020 and therefore has been omitted from table above.
2. Refers to value of annual retainers paid to each director in 2020, including applicable base retainer and committee retainer amounts.

Outstanding director share-based awards

The following table shows all outstanding share-based awards (i.e. DSUs) for our independent directors at December 31, 2020. DSUs vest at the time of grant, however, no value is payable until the director leaves the board. As directors do not receive option-based awards, the corresponding columns have been omitted from the table below. Directors may elect to receive all or part of their annual base retainer in DSUs but receive no other share-based awards.

Director	Share-based Awards		
	Shares or units of shares not vested (#)	Market or payout value of share-based awards not vested	Market or payout value of share-based awards not paid out or distributed (1)
Bertram	-	-	Nil
Goertzen	-	-	$244,471
Haughey	-	-	$506,222
Manes	-	-	$544,946
Nelson	-	-	Nil
Norris	-	-	$725,896
O'Connor	-	-	$612,690
Ripley	-	-	$551,332
Woodruff	-	-	$427,533

Note:
1. Market values above calculated by multiplying the number of DSUs held at December 30, 2020 by the 20-day VWAP of our common shares on December 31, 2020, which was $23.22.

Incentive plan awards – value vested or earned during the year

The following table shows the value of share-based awards for our independent directors vested during the year ended December 31, 2020. Directors can elect to receive all or part of their base retainer in DSUs. Amounts below refer to the value of DSUs granted to directors who made such an election in 2020. All DSUs vest at the time of grant; however, no payment is made in respect of DSUs until the director leaves the board. Directors receive no option-based or non-equity plan compensation therefore corresponding columns have been omitted below.

Director	Share-based awards – value vested during the year ($)(1)	Director	Share-based awards – value vested during the year ($)(1)
Bertram	-	**Norris**	163,337
Goertzen	197,683	**O'Connor**	228,252
Haughey	161,882	**Ripley**	231,734
Manes	222,628	**Woodruff**	141,925
Nelson	-		

Note:

1. Values calculated by multiplying the number of DSUs granted to each director in 2020, by the 20-day VWAP of our common shares on December 31, 2020, which was $23.22. DSUs above were only granted to directors who elected to receive all or a portion of their 2020 annual base retainer in the form of DSUs as described in page 41.

2020 Program changes

Other than temporary reductions applied to director compensation from April 13 to December 31, 2020, no other changes were made to our program in 2020.

Message from our CGC Chair

To our Fellow Shareholders:

On behalf of the compensation and governance committee (CGC) and the board of directors, I am pleased to share our approach to executive compensation, including how we believe it aligns with our performance and the interests of our shareholders.

Our 2020 performance

Despite the challenges to our industry in 2020, Keyera maintained solid financial performance, demonstrating the strength of its operations and prudent risk management. The company delivered record DCF of $718 million, up 21 percent over 2019. Adjusted EBITDA was $874 million, down just 7 percent from prior year record performance. Keyera also ended the year with a net debt to adjusted EBITDA ratio of 2.9x, within our targeted range. We also distributed $423 million in dividends to our shareholders. We achieved strong financial performance in 2020 despite unplanned outages at two of our facilities which reduced annual EBITDA results by approximately $45 million. These results are reflected in our compensation decisions which are summarized below and outlined in more detail starting at page 61.

Shareholder alignment

In respect of executive compensation, the primary objective of the CGC and the board is to ensure our program aligns with the near and long-term interests of our shareholders. To achieve this objective, our program and each compensation decision is based on four fundamental principles :

- **Performance driven:** Ensure the substantial majority of executive compensation consists of performance-based elements. In 2020, approximately 85 percent of annual compensation for our CEO, David Smith, was comprised of performance-based incentive compensation, tied to the achievement of board-approved objectives directly aligned with shareholder interests. Long-term incentive grants represented the largest proportion of our executive compensation in 2020, and were 100 percent performance-based;

- **Risk Mitigated:** Ensure a single, consistent program across our business which applies both to executives and our employees. Reduce compensation-related risk by setting maximum payouts under our incentive compensation plans and applying board discretion to avoid unintended outcomes and maintain alignment with shareholder interests. Finally, use formal mechanisms such as annual risk assessments and policies (including claw back and anti-hedging provisions) to discourage and prohibit behaviour that could incent or create unnecessary or inappropriate risk taking;

- **Competitive:** Regularly monitor our program to ensure it remains overall consistent with our peers and targets executive pay to be the median of our peer group to attract, motivate and retain the high performing talent needed to execute on Keyera's strategic objectives; and

- **Balanced:** For 2020, the board approved a new balanced company scorecard to determine annual incentive eligibility for all employees, including our executives. To maintain shareholder alignment, the board approved after tax distributable cash flow per share as the scorecard's primary financial performance metric. In addition, the board approved new safety, environmental and operational performance metrics, to be weighted at 30 percent of 2020 scorecard results. These new metrics reinforce the importance of strong ESG performance on Keyera's overall results, as well as how we define our success over the long-term.

Key 2020 decisions

In 2020, the CGC and board worked diligently to ensure our program reflected these principles. Key actions in 2020 included the following:

- ✓ completed a multi-year CEO and executive succession planning process, culminating in the promotion of Dean Setoguchi to President & CEO effective January 1, 2021, as well as the promotion of three internal candidates to Senior Vice President, enhancing the strength and diversity of our senior executive team;

- ✓ approved temporary reductions to both 2020 director compensation and 2020 executive base salaries to reflect the challenging economic conditions resulting from the pandemic. These reductions ranged from 20 percent (for directors and former CEO, David Smith, and CEO Dean Setoguchi) to 10 percent (for Senior Vice Presidents) and remained in place from mid-April to December 31, 2020. These reduced base salaries were also used by the board to determine 2020 annual incentive awards paid to our executives in 2021;

- ✓ applied discretion to reduce the corporate multiplier in our 2020 company scorecard from calculated results. Notwithstanding the challenges created by COVID-19, we did not adjust incentive compensation targets downward for 2020. We also did not adjust 2020 earnings results for one-time severance costs incurred in 2020; and

- ✓ initiated a comprehensive governance review of our current executive employment agreements, incentive compensation claw back policy and long-term incentive plan. This review resulted in the board directionally approving reduced severance entitlements for newly appointed executives, expansion of our claw back policy, and the planned introduction of "double trigger" provisions for executive long-term incentive grants upon a change in control. These changes will be finalized and made effective in 2021.

Say on pay

For the eighth consecutive year, shareholders will have an opportunity to vote on our approach to executive compensation through a "say on pay". While this vote is not binding, results of this vote and feedback received directly from our shareholders is carefully considered by the CGC and the board when making future decisions regarding our program.

We are pleased that in 2020, 98 percent of votes cast at our 2020 annual meeting supported our approach to executive compensation. Should you have any questions regarding our approach, please contact us using the information at page 32 of this circular. I will also be available, along with our board chair, Jim Bertram, at our May 11, 2021 virtual meeting to respond to questions you may have regarding our program.

On behalf of the CGC, I wish to thank you for your continued investment in Keyera. We look forward to hosting you at the meeting.

Sincerely,

(signed) "Doug Haughey"

Doug Haughey
Chair, Compensation & Governance Committee

Compensation governance and practices

The following table summarizes key features of our compensation policies and practices:

What we do

✓	All executive compensation is reviewed by the CGC and recommended to the full board for review and approval
✓	Executive compensation consists predominantly of performance-based (or "at risk") elements
✓	100 percent of 2020 executive long-term incentive (*LTI*) awards are performance-based for which all vesting is deferred for a three year period
✓	All executives participate in the same compensation program which, other than limited executive perquisites, is also the same for our employees
✓	Use performance measures in our incentive plans that are correlated with shareholder returns (DCF per share, relative total shareholder return) and key safety, environmental and operational priorities
✓	Annual and long-term incentive plans have threshold performance levels (below which payouts are not made) and are capped at two times target[6]
✓	The CGC receives advice from independent compensation consultants to ensure our program aligns with our pay for performance philosophy and strong compensation governance
✓	Performance targets for annual incentive or LTI awards are stress tested by the CGC under a variety of scenarios to assess rigor, potential compensation outcomes and ensure alignment with shareholder interests
✓	Have a recoupment (or "claw back") policy that applies to executive incentive compensation
✓	Executive employment agreements are double trigger, requiring both termination of employment and a change in control to receive cash severance entitlements
✓	Have minimum share ownership requirements for directors and executives
✓	Have an anti-hedging policy that prohibits directors and executives from participating in speculative activity related to our shares to protect themselves against declines in share price
✓	The CGC completes an annual compensation risk assessment to ensure our program does not encourage undue risk taking by our executives that could have a material adverse impact on Keyera or its strategy
✓	Ensure shareholders have an annual "say on pay" vote

What we do not do

X	No stock option grants to our executives
X	No executive employment contracts with multi-year guaranteed pay increases, annual incentive awards or LTI grants
X	No change in control or termination payments greater than two times cash pay multiple for executives, including the CEO[7]
X	No re-pricing, back-dating or replacement of cancelled options
X	No payment of dividends on LTIs prior to vesting
X	No tax gross-ups or excessive perquisites are provided to our executives
X	No defined benefit or supplemental pension plan for our executives

[6] Excludes impact of additional dividend equivalent units paid on vested executive LTI grants.

[7] All current executive employment agreements provide for a maximum cash severance based on 24 months service, including on a change of control, with the exception of Brad Lock, our Senior Vice President (*SVP*) & Chief Operating Officer (*COO*). Mr. Lock has a legacy agreement which provides for cash severance based on 24 months however increases to a maximum of 30 months based on recognized years of service. Mr. Lock's current severance entitlement is 30 months.

Statement of executive compensation

Compensation and governance committee

The CGC assists the board in overseeing the development and administration of our executive compensation program. Recommendations developed by the CGC regarding our program are reviewed and approved by the full board. Responsibilities of the CGC include recommending annual compensation for our CEO and other executives, establishing performance measures and targets under our incentive plans, and overall program design.

The CGC also assists the board with succession planning for the CEO and other senior executive roles. The CGC monitors our approach in respect of diversity, and regularly evaluates our program relative to compensation-related risks. The CGC also regularly monitors our program to ensure it remains both competitive and aligned with strong compensation governance.

Specific responsibilities of the CGC are set out in a written terms of reference, available on our website at www.keyera.com.

Compensation philosophy

To ensure our program aligns with the long-term interests of our shareholders, compensation decisions are based on four fundamental principles that we believe are consistent with best practices:

- **Performance driven:** Ensure the substantial majority of executive compensation consists of performance-based elements;
- **Risk Mitigated:** Ensure our program is applied consistently across our business and applies to both executives and employees. Seek to reduce compensation-related risk through program design, use of board discretion to avoid unintended outcomes, as well as formal mechanisms and policies to discourage behaviour that could incent or create unnecessary or inappropriate risk taking;
- **Competitive:** Regularly monitor our program to ensure it is overall consistent with our peers and that compensation is generally targeted at the median of our peer group to attract, motivate and retain the executive talent we need to achieve our strategic objectives; and
- **Balanced:** Ensure our program uses a balance of compensation of elements and that incentive compensation incorporates a variety of metrics designed to align with our performance over both short and longer-term time horizons.

Performance focused

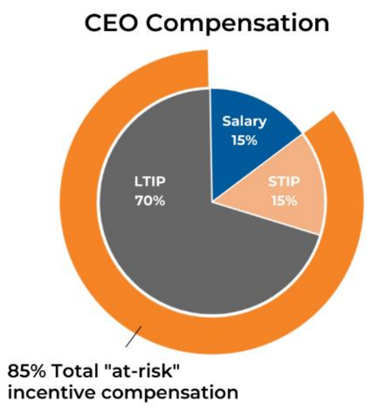
Executive compensation is predominantly comprised of performance-based (or "at risk") incentive compensation elements. This approach seeks to align executive pay with shareholder interests by directly tying the majority of executive compensation to the board-approved performance objectives that encourage the execution of our strategy.

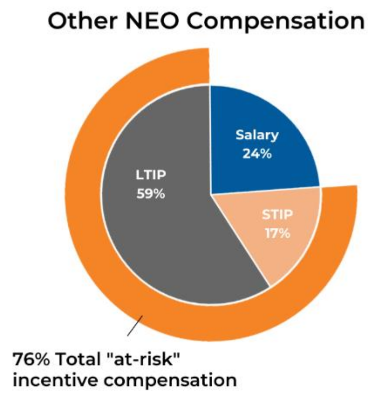
Performance measures in our incentive compensation plans consist of financial, safety, environmental and operational metrics designed to encourage and reward sustainable value creation over various time horizons. Assisted by the CGC, the board regularly evaluates our program to ensure compensation and, in particular, these incentive-based elements, do not encourage undue risk taking by our executives.

For 2020, over 85 percent of total direct compensation of former CEO, David Smith, was comprised of "at risk", performance-based compensation. For our remaining named executive officers (*NEOs*)[8] an average of 76 percent of 2020 total direct compensation consisted of these same "at risk" elements. The respective proportion of fixed versus performance-based elements in the 2020 total target compensation for our former CEO, David Smith, and our remaining NEOs in 2020 is shown below:[9]

[8] Our 2020 NEOs are described at page 52.

[9] For purposes of this calculation, 2020 target total compensation refers to an NEO's annual base salary, target annual incentive award and grant value of annual LTI award at July 1, 2020. Above amounts do not reflect temporary 2020 base salary (and annual incentive) rollbacks discussed at page 54.





Market competitiveness

To attract and retain high performing executive talent, our program must be market competitive. The CGC therefore benchmarks executive compensation against comparable roles from a select group of industry peers with similar operations and of comparable size and scale as Keyera. Compensation is generally targeted to be at the median (or P50) of this group, subject to adjustments to reflect an executive's specific experience and particular scope of responsibilities. For purposes of benchmarking, the CGC examines annual "target total compensation" which consists of an executive's base salary, target annual incentive and target value of annual LTI grants.

Compensation peer group

Each year, the CGC benchmarks NEO compensation relative to a group of Canadian energy peers against whom we compete for executive talent (our *compensation peer group*). The CGC regularly evaluates this peer group to ensure it remains an appropriate comparator group, for compensation benchmarking purposes. In 2020, the CGC, assisted by Mercer, evaluated Keyera's positioning relative to our compensation peer group using the following criteria:

Comparative factor	Target range	2020 result (percentile)
Total assets	33% to 300%	Slightly above P40
EBITDA	33% to 300%	Slightly above P55
Enterprise value	33% to 300%	Slightly below P70
Market capitalization	33% to 300%	Slightly below P70
Revenue	33% to 300%	Slightly above P65

Following its review, the CGC approved the following compensation peer group comprised of 13 peer companies from the Canadian midstream, pipeline, exploration and production sectors. In 2020, the CGC used market data from this group to evaluate annual compensation for our NEOs and the overall competitiveness of our program. The CGC generally targets annual executive pay to be at the median (or P50) of the peer group.

2020 Compensation Peer Group		
AltaGas Ltd. ARC Resources Ltd. Crescent Point Energy Corp. Enerplus Corporation Gibson Energy Inc.	Inter Pipeline Ltd. MEG Energy Corp. Parkland Fuel Corporation Pembina Pipeline Corporation	Seven Generations Energy Ltd. Tourmaline Oil Corp. Vermillion Energy Inc. Whitecap Resources Inc.

Independent advice

The CGC receives independent advice, analysis and perspective from external advisors. The CGC considers this perspective when assessing annual executive pay and overall program design. Independent advice is also used to evaluate the competitiveness of our program relative to our compensation peer group, as well as best practices.

The CGC retains two independent consultants to assist in the execution of its mandate. Since 2003, the CGC has retained Mercer as its principal advisor. Mercer provides advice on the competitiveness of our program relative to market, including benchmarking individual executive compensation against competitive data from our peer group. Analysis provided by Mercer is also used to evaluate our program design, including performance measures and targets in our incentive compensation plans. Mercer also provides competitive data and analysis to assist the CGC in respect of director compensation. Finally, Mercer assists the CGC in monitoring and identifying compensation-related risks, including assisting with an annual risk assessment.

Mercer's relationship with management is limited to providing competitive market data to benchmark employee compensation, which has been approved by the CGC chair. Any additional service or advice provided by Mercer to management must be pre-approved by the CGC chair. Other than the foregoing, Mercer provided no services directly to management in 2020.

The CGC also retains Hugessen Consulting Inc. (Hugessen) to provide independent advice and analysis in respect of our program. In particular, the CGC has retained Hugessen to provide perspective to ensure our program is consistent with compensation best practices and overall competitive relative to our peers. In 2020, Hugessen provided advice and analysis to the CGC in respect of a review of our executive employment agreements, incentive compensation recoupment (or "claw back") policy, as well as planned updates to our long term incentive plan (*LTI plan*) to provide for "double trigger" LTI vesting upon a change in control, starting in 2021. Fees paid to each external consultant in 2020 and 2019 are provided in the table below:

Advisor	2019 Executive Compensation Fees(1)	All Other Fees(2)	2020 Executive Compensation Fees(1)	All Other Fees(2)
Mercer (Canada) Limited	$74,932	$30,983	$119,472	$29,535
Hugessen Consulting Inc.	$92,288	Nil	$18,225	Nil

Notes:

1. For Mercer, *executive compensation fees* refers to fees for services related to analysis on our executive compensation program, including annual compensation levels, compensation peer group and incentive plan design (performance measures, targets and results). This amount also includes services provided by Mercer in respect of our director compensation program, including competitive market data and plan design. In respect of Hugessen, this refers to services related to review and analysis regarding executive employment contracts, incentive claw back policy and planned updates to our LTI plan for 2021.
2. *All other fees* above refers to fees incurred for services related to Keyera's participation in annual market surveys (Mercer) or other advisory services.

Our program is consistent across our business segments, and overall the same for our senior executives and employees. We believe this approach drives internal alignment, mitigates compensation-related risk and supports our culture of collaboration and teamwork.

Compensation risk management

The CGC and the board also regularly evaluate our program to identify elements that could encourage our executives to engage in unnecessary or excessive risk taking. In addition to ongoing advice from its independent consultants, the CGC seeks to mitigate unintended consequences through the completion of an annual compensation risk assessment, as well as the following program features:

- our program is consistent across all business units and (with exception of not granting RSUs to our NEOs) consistent between executives and employees;
- executive LTI grants are performance based;
- performance measures in our incentive compensation plans consist of quantifiable and verifiable financial, safety, environmental and operational metrics. In the case of LTIs, these measures include discounted cash flow per share (DCFPS) and relative total shareholder return (*TSR*);
- incentive compensation eligibility under our annual incentive and long-term incentive plans is subject to maximums of two times target eligibility;
- vesting and payout of all LTI grants to our NEOs is deferred for three years from date of grant;
- performance metrics under our incentive compensation plans are stress-tested relative to various performance and shareholder return outcomes prior to approval; and
- the board regularly considers a variety of factors, including Keyera's overall performance, market conditions and the experience of our shareholders, before approving final results under our incentive compensation plans, and may exercise discretion up or down to avoid unintended outcomes.

Executive share ownership guidelines

Keyera's executive share ownership guidelines are intended to align executive and shareholder interests by encouraging a continuing proprietary interest in Keyera. NEOs have five years from their appointment to reach their share ownership threshold. NEOs must maintain compliance with the guidelines throughout their tenure as an executive.

LTI awards granted to our executives are not included in the calculation of shareholdings. Each of our NEOs, excluding Ms. Marikar and Ms. Brennan, who were appointed to their roles on May 20, 2020 and July 2, 2019, respectively, currently meet their share ownership guidelines.

NEO	Required share ownership (base salary multiple)	Total shares[1]	Total share value[2]	Share value (base salary multiple)[3]
David Smith	3 times	646,511	$16,453,705	29x
Dean Setoguchi[4]	2 times	219,688	$5,591,060	14x
Brad Lock	2 times	202,263	$5,147,593	14x
Eileen Marikar[5]	2 times	12,261	$312,042	–
Nancy Brennan[6]	2 times	2,000	$50,900	–

Notes:

1. Shares beneficially owned or controlled by NEO as of March 8, 2021.
2. Under the guidelines, share value is based on the 30-day average closing price of our common shares up to and including March 1, 2021, which was $25.45.
3. Share value (multiple of base salary) above calculated by dividing total value of shares held by each NEO at March 1, 2021 by 2020 base salary set out in summary compensation table on page 61, rounded to the nearest whole number.
4. Mr. Setoguchi's share ownership target is based on his role in 2020 as President & CCO (as at December 31, 2020).
5. Ms. Marikar was appointed SVP & CFO on May 20, 2020. Under the guidelines, Ms. Marikar has until May 20, 2025 to attain her required share ownership level.
6. Ms. Brennan was appointed SVP, General Counsel & Corporate Secretary on July 2, 2019. Under the guidelines, Ms. Brennan has until July 2, 2024 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.

Claw back policy

To assist in the management of compensation-related risk, Keyera has adopted an incentive compensation claw back policy. The policy authorizes the board to require reimbursement or cancelation of incentive compensation received by the CEO where he or she has engaged in fraud, gross negligence or intentional misconduct resulting in a material restatement of all or a portion of Keyera's financial results. Under the policy, the board also has retained full discretion to pursue other recourse deemed appropriate in the circumstances.

NEW In 2020, upon recommendation of the CGC, the board approved the following changes to our incentive compensation claw back policy:

- extend application of the policy to all senior executives reporting to the CEO (not just the CEO);
- expand triggering conduct to include both an executive's: (i) defined material misconduct; and (ii) misconduct which leads to a full or partial restatement of Keyera's financial results; and
- expand recourse available to the board, including to recover and/or cancel an executive's outstanding annual or long-term incentive compensation.

These changes will apply to incentive compensation granted or payable to our NEOs in 2021 and beyond.

Compensation framework

Our program is designed to reward corporate performance relative to the execution of key business objectives, maintain market competitiveness and align compensation outcomes with the shareholder interests. Executive compensation is predominantly comprised of performance-based elements, intended to reward the results relative to key objectives over mid-to-longer-term time horizons. A summary of these elements is provided below:

	Element	Description	Objectives	Performance Period	Form of Award
fixed	**Base salary (page 52)**	• Fixed level of compensation, based on role, scope of responsibilities relative to competitive market data	• Attract and retain qualified executives • Reward experience • Provide competitive base pay at market median (P50)	One year	Cash
at risk	**Annual incentive award (page 54)**	• Annual bonus payable upon achievement of board-approved targets in our annual company scorecard (80-90%) and individual performance (10-20%)	• Encourage and reward achievement of key annual business objectives relative to targets set by board • Align executive and shareholder interests	One year	Cash
	Long-Term Incentive (*LTIs*) (page 57)[(1)]	• Performance-based incentive compensation • Vesting and payout based on achievement of board-approved performance measures and targets, as well as our share price performance over a 3-year period	• Tie majority of compensation to corporate performance over three-year period • Encourage retention through deferral of all vesting (and payout) for three-year period • Align with shareholder interests	Three years	Performance Share Units (*PSUs*), payable in either cash or shares purchased on the open market

Compensation discussion and analysis

Named executive officers

The named executive officers (NEOs) whose compensation is disclosed in this Compensation Discussion and Analysis and elsewhere in this circular are our former President & CEO, current President & CEO, former CFO, current CFO and next three highest paid executive officers. These six NEOs are as follows:

NEO	Position
David Smith	Former CEO (retired December 31, 2020)
Dean Setoguchi[1]	President (appointed President & CEO effective January 1, 2021)
Steven Kroeker	Former Senior Vice President & CFO (departed May 19, 2020)
Eileen Marikar	Senior Vice President & CFO (appointed May 20, 2020)
Brad Lock	Senior Vice President & COO
Nancy L. Brennan	Senior Vice President, General Counsel & Corporate Secretary

Note:
1. In 2020, Mr. Setoguchi was SVP & CCO (January 1 to February 28), President & CCO (March 1 to August 31) and President (September 1 to December 31).

2020 Compensation program

Base salary

Each year, the CGC reviews base salaries relative to corresponding data from our compensation peer group and the individual skills and experience of our executives. For 2020, the CGC reviewed NEO base salaries at its January 2020 meeting. Based on its review, the CGC recommended modest increases (ranging from two to five percent) to NEO base salaries to align with market median. These recommendations, approved by the board, are outlined in the table below.

Over the course of 2020, the CGC and the board also made adjustments to base salaries for Mr. Setoguchi and Ms. Marikar to reflect their promotions to President and Senior Vice President and Chief Financial Officer, respectively. These adjustments made over the course of 2020, to reflect their increasing responsibilities, are reflected in the table below.

NEW In recognition of the economic impacts of COVID-19 in 2020, the board approved temporary reductions to the annual base salaries of each of our NEOs. These reductions, recommended and voluntarily adopted by management, were approved in mid-April 2020 and remained in place until December 31, 2020. Reduced salaries were also used by the board to calculate 2020 annual incentive awards paid to our NEOs in February 2021. These reductions were as follows:

The following table shows the original and reduced 2020 base salaries for each NEO at December 31, 2020, including relative to 2019 amounts.

Name	2019 Salary	2020 Annualized Salary (January to Mid-April)	Percentage Change)	2020 Reduced Annualized Salary (Mid-April to December)(5)
David Smith(1)	$650,000	$663,000	2%	$530,400
Dean Setoguchi(2)(5)	$390,000	$462,000	18.5%	$369,600
Brad Lock	$390,000	$401,700	3%	$361,530
Steven Kroeker(3)	$385,632	$404,914	5%	$364,423
Eileen Marikar(4)	-	-	-	$333,698
Nancy Brennan	$340,000	$346,800	2%	$312,120

Notes:
1. Mr. Smith retired from Keyera effective December 31, 2020.
2. Mr. Setoguchi was promoted from SVP & CCO to President & CCO effective March 1, 2020. At that time, the board approved the base salary increase above to reflect Mr. Setoguchi's additional responsibilities. In September 2020, Mr. Setoguchi was appointed President & CEO effective January 1, 2021. No changes were made to his compensation at that time. In November, the board approved new compensation arrangements for Mr. Setoguchi to take effect coincident upon him assuming the role of President & CEO on January 1, 2021. For 2021, the board approved a base salary for Mr. Setoguchi of $650,000 which is not reflected in the above table.
3. Mr. Kroeker's salary above was reduced in April 2020 and remained in effect until his departure from Keyera on May 19, 2020.
4. Ms. Marikar was appointed SVP & CFO effective May 20, 2020. She was not a NEO of Keyera prior to such appointment. Upon appointment, the board approved an initial 2020 base salary for Ms. Marikar of $333,698, which reflected an immediate 10 percent reduction from what would have otherwise been her new base salary of $370,775.
5. Effective April 18, 2020 base salaries for Messrs. Setoguchi and Smith were reduced by 20 percent and by 10 percent for Mr. Lock, Ms. Marikar and Ms. Brennan. Ms. Marikar's salary was also reduced by 10 percent upon her appointment as SVP & CFO as described in footnote 4 above. Reduced salaries remained in effect through December 31, 2020.

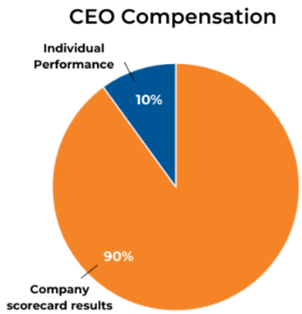
Annual incentive awards

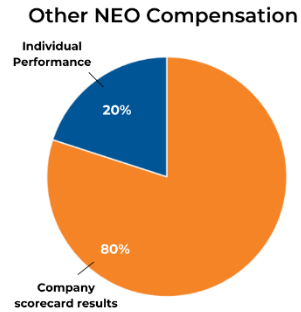
Our annual incentive plan is a key element of our pay for performance philosophy. For each NEO, annual incentive opportunity is determined based on our performance relative to board-approved metrics, and corresponding targets in four performance categories:

Financial Performance	Safety Performance	Operational Performance	Environmental Performance
After-tax distributable cash flow per share	Lost time injury frequency, total recordable injury frequency, targeted inspections and potentially serious incidents	Facility reliability, operational excellence, inspections, product events and project delivery	Regulatory inspections, environmental events, reportable releases, and GHG emissions reductions

The above performance measures constitute our annual company scorecard. Approved annual performance relative to the company scorecard is used to determine the corporate multiplier for annual incentive awards. The same company scorecard and corporate multiplier are used for all employees, including our NEOs.

The respective weighting of corporate performance versus individual performance results increases with an employee's level of responsibility. In 2020, 90 percent of annual incentive award eligibility for our CEO, David Smith, was based on our company scorecard results. For our remaining NEOs, corporate performance is weighted 80 percent. In 2020, Individual performance represented as illustrated, 10 percent and 20 percent of annual incentive award eligibility for our CEO and our remaining NEOs, respectively.





The board retains discretion to adjust performance results to ensure compensation outcomes align with overall market conditions, broader operational or financial performance and experience of our shareholders over the same period.

Target Annual Incentive Opportunity

Annual incentive opportunity for our NEOs is expressed as percentage of base salary (*target incentive award*). Executives have the opportunity to earn between 0 to 200 percent (maximum) of their target incentive award based on annual performance, as described above. The following table shows the respective annual incentive target eligibility for our NEOs at December 31, 2020.

NEW For 2020, target incentive award eligibility for our NEOs was calculated based on their 2020 reduced base salaries, described above. These reductions (20 percent for Messrs. Smith and Setoguchi, and 10 percent for our remaining NEOs) are reflected in the table below:

2020 NEO annual incentive award eligibility

NEO[1]	2020 Annualized Salary (January to Mid-April)	2020 Annualized Reduced Salary (Mid-April to December)	Target (% Salary)	Target	Reduced Target
David Smith [2]	$663,000	$530,400	100	$663,000	$530,400
Dean Setoguchi[3]	$462,000	$369,600	70	$323,400	$258,720
Eileen Marikar	-	$333,698	70	$259,543	$233,589
Brad Lock	$401,700	$361,530	70	$281,190	$253,071
Nancy Brennan	$346,800	$312,120	70	$242,760	$218,484

Notes:
1. Former SVP & CFO Steven Kroeker departed Keyera effective May 19, 2020, and is therefore excluded from table above.
2. Mr. Smith retired from Keyera effective December 31, 2020.
3. Mr. Setoguchi was appointed President & CEO effective January 1, 2021. At December 31, 2020, he served as President.

2020 company scorecard

Achievement of the annual financial, safety, environmental and operational performance objectives in our company scorecard is among the key measures of our success.

Prior to 2020, the corporate multiplier for annual incentive awards was based solely on a financial after-tax DCFPS target. DCFPS measures cash flow generated from our operations and the adequacy of internally generated cash flow to fund dividends and our growth initiatives.[10] DCFPS is publicly reported in our quarterly and annual financial disclosures, providing shareholders a clear line of sight into our performance. DCFPS results are also used to determine our annual bonus pool, to ensure bonus awards are fully funded.

NEW For 2020, upon recommendation of the CGC, the board adopted a new company scorecard. To maintain our focus on financial discipline and shareholder value creation, DCFPS was retained as our primary financial metric and weighted at 70 percent. To reflect the importance of ESG performance to the execution of our strategy, shareholders and other stakeholders, the board also approved new safety, environmental and

[10] 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. See Non-GAAP reconciliation in Schedule "B". For 2020 company scorecard purposes, it is calculated on an after-tax basis.

operational performance measures which were weighted at 30 percent. Together, these performance measures constitute our new balanced 2020 company scorecard.

Following the calendar year, calculated results for each company scorecard metric are reviewed by the CGC and the board. The board also considers overall company performance and prevailing economic and industry conditions to ensure compensation outcomes are appropriate, including relative to the corresponding experience of our shareholders. Against this broader context, the board determines whether to exercise discretion up or down to adjust calculated results. Once approved by the board, overall results constitute the corporate multiplier used to determine the corporate performance portion of annual incentive awards payable to employees, including our NEOs.

2020 annual incentive plan decisions

Performance metrics for the 2020 company scorecard were approved by the board, following review and recommendation from both CGC and HSE Committee. Targets for each metric were carefully evaluated to assess rigour, as well as relative to various performance outcomes. For DCFPS, potential targets were stress tested, including relative to commodity price, maintenance capital expenditures and cash tax sensitivities, to assess potential impacts on our overall annual financial and operating performance and corresponding shareholder returns.

Scorecard results that meet the board-approved target generally correlate to a performance multiplier of 1.0 times subject to discretionary adjustments by the board. Annual incentive award payouts are capped at a maximum performance multiplier of 2.0 times the target award.

2020 DCFPS target (70% Weighting)

For purposes of the 2020 company scorecard, the board approved a 2020 DCFPS target of $3.50. This target, set in February 2020 prior to confirmation of the COVID-19 pandemic, was 26 percent higher than our actual 2019 DCFPS performance result of $2.77. Despite the growing uncertainty of the pandemic, the board approved this stretch target and corresponding performance thresholds below:

	Threshold (50%)	Target (100%)	Maximum (200%)
After Tax Distributable Cash Flow Per Share (DCFPS)	$3.05	$3.50	$4.00

2020 Safety, environment and operational targets (30% Weighting)

Performance measures for our new safety, environmental and operational performance measures were approved by the board in February 2020 upon recommendation of each CGC and HSE Committee. These measures are intended to encourage performance aligned with safety (10%), environmental (10%) and operational (10%) performance indicators with a potentially material impact on our financial and operational results. For 2020, performance that meets the corresponding goal generally correlates to a performance multiplier of 1.0 times.

2020 DCFPS results

Actual 2020 DCFPS results were reviewed by the CGC and board in February 2021. The CGC reviewed the 2020 DFCPS target of $3.50 relative to actual 2020 DCFPS results of $3.26, which was 93 percent of target, representing a performance multiplier of 0.84.

Impacts of the COVID-19 pandemic were examined, including relative to Keyera's corporate performance, including record annual DCF results, 2020 cost reductions and the achievement of key strategic initiatives. The CGC also considered the negative financial, operational and reputational impacts of unanticipated facility outages at our AEF and Wapiti facilities during the year. Finally, the CGC eliminated the impact of amounts received under the Canadian Emergency Wage Subsidy from calculated DCFPS results.

Based on its review, and in consideration of the experience of our shareholders over the same period, the board accepted the recommendation of the CGC and exercised discretion to reduce the calculated financial performance multiplier from 0.84 (93% of target) to 0.80x (92% of target).

2020 Safety, environment and operational results

Actual 2020 safety, environmental and operational results were reviewed by the HSE Committee, CGC and the board in February 2021. Results were initially evaluated by both committees relative to the corresponding targets and objectives approved by the board in respect of each performance metric. Given that 2020 was the first year in which non-financial metrics were included as part of our annual incentive plan, the HSE Committee and CGC worked collaboratively to review the company's performance and formulate a corresponding recommendation to the board.

NEW As part of its evaluation, the CGC and HSE committee reviewed existing safety, environmental and operational metrics, as well as learnings from the prior year. Based on its evaluation, the committees recommended that for purposes of the 2020 company scorecard, these categories continue to be weighted at 30 percent, however the number of performance objectives in each category be reduced slightly from 14 to 9 to focus performance on areas of the most critical importance.

2020 company scorecard results

For 2020, performance results and corresponding scores under our company scorecard were as follows.

Scorecard Metric	Weight	Target	Performance Result	Score
DCFPS	**70%**	$3.50	$3.26 (0.84x multiplier reduced to 0.80x by board)	**0.80x**
Safety	**10%**			**0.95x**
Lost Time Injury Frequency (LTIF)		LTIF below 0.17	√ Target largely achieved	
Total Recordable Injury Frequency (TRIF)		TRIF below 0.40	× Target not achieved	
Targeted Inspections		>90% critical task compliance	√ Target exceeded	
Potentially Serious Incidents (PSIs)		Report, investigate and internally communicate learnings (all PSIs)	√ Target achieved	
Environmental	**10%**			**1.35x**
Regulatory Inspections		> 75% satisfactory inspections	× Target not achieved	
Environmental Events		Zero significant events	√ Target achieved	
Reportable Releases		Reduce against rolling 3-year average	√ Target achieved	
Greenhouse Gas (GHG) Emissions		Reduce GHG emissions against 3-year rolling average (annual, based on operating margin intensity (OMI) and production intensity (PI)	√ Target achieved (OMI) × Target not achieved (PI);	
Operational	**10%**			**1.15x**
Facility Reliability		Operational reliability of 98.5% Gathering & Processing (G&P) and 95% Liquids Infrastructure (LI) facilities	× Target not achieved	
Operational Excellence (OE)		100% implementation and maintenance of Operational Excellence Management System (OEMS)	√ Target largely achieved	
Tank, Pressure Equipment & Pipeline Inspections		Completion of annual site plans	√ Target achieved	
Off Specification Product Events		Zero deliveries of off specification product to customer	√ Target largely achieved	
Project Delivery		Deliver high impact capital projects in line with cost, schedule & operational objectives	√ Target largely achieved	
COMBINED COMPANY SCORE				**0.91x**

Individual performance

Each year, the CGC assesses NEO performance against individual annual objectives, including contributions to key strategic initiatives. For our CEO, the independent directors conduct this assessment during their in-camera discussions. For our remaining NEOs, this assessment takes into consideration recommendations of the CEO. In 2020, such recommendations included assessments by former CEO, David Smith, and then President, Dean Setoguchi, for NEOs reporting to each individual at year-end.

2020 Annual incentive awards

The following table outlines 2020 annual incentive awards for our NEOs as at December 31, 2020, including respective performance component weightings.

NEO	2020 Annualized Reduced Salary [1]	Target Award (% of Salary)[2]	Reduced Target Award ($)[2]	Corporate Performance Weighting (%)	Approved Company Score	Individual Performance Weighting (%)	Actual 2020 Award ($)[3]
David Smith	$530,400	100	$530,400	90	0.91	10	$506,002
Dean Setoguchi[4]	$369,600	70	$258,720	80	0.91	20	$258,203
Eileen Marikar	$333,698	70	$233,589	80	0.91	20	$220,281
Brad Lock	$361,530	70	$253,071	80	0.91	20	$252,565
Nancy Brennan	$312,120	70	$218,484	80	0.91	20	$235,526

Notes:
1. Reflects reduced base salaries for our NEOs in effect from mid-April to December 2020.
2. Target awards above calculated based on reduced 2020 base salaries described in footnote above (20 percent for Messrs. Smith and Setoguchi, and 10 percent for Mr. Lock, Ms. Brennan and Ms. Marikar).
3. Actual 2020 awards calculated based on reduced NEO base salaries described above.
4. Amounts above for Mr. Setoguchi reflect his compensation as President & CCO at February 2020. His compensation as President & CEO was effective January 1, 2021 and therefore is not reflected in the table above.

Long-term incentive (LTI) program

The largest proportion of annual compensation for our NEOs consists of LTI award opportunity. Our LTI program provides NEOs an opportunity to receive long-term, variable compensation based on the achievement of specific board-approved performance objectives. By encouraging the delivery of long-term, sustainable shareholder value, LTI awards are designed to align the interests of our NEOs with those of our shareholders. Our program also seeks to mitigate compensation-related risk by deferring vesting of all LTI grants for a period of three years.

To achieve these objectives, Keyera grants performance share units (*PSUs*) to our NEOs, which require the achievement of specified financial and relative total shareholder return (*TSR*) performance objectives in order for awards to vest. Although our LTIP also provides for Restricted Share Units (*RSUs*), RSUs are currently not provided to our NEOs, however are granted to eligible employees.

Each year, the board, assisted by the CGC, determines the performance criteria to apply to executive PSU awards at its June meeting.

Performance share units (PSUs)

A PSU is a notional share unit equivalent in value to a Keyera common share. When a dividend is paid on our common shares, PSUs earn dividend equivalent units. PSUs cliff vest and are settled contingent upon our achievement of specific and board-approved performance measures over a three-year period. Upon vesting, PSUs are settled by either a cash payment or, at the election of the holder, by delivery of a number of common shares purchased on the open market. No common shares are issued from treasury to settle executive PSU awards.

The value of a PSU (including dividend equivalent units) upon vesting is determined by multiplying the number of PSUs by the approved corporate performance multiplier for such grant. In 2020, the performance criteria for PSUs granted to our NEOs were: (i) pre-tax DCFPS (weighted 70 percent); and (ii) relative TSR (weighted 30 percent), as described below:

Performance Measure	Performance Assessment	Performance Period	Weighting
Pre-Tax DCFPS	Three-year average pre-tax DCFPS performance relative to a board-approved target	3 years	70%
Relative Total Shareholder Return (*RTSR*)	TSR performance relative to a group of energy midstream and/or infrastructure peer companies against which Keyera competes for investment capital (*PSU Peer Group*)	3 years	30%

After the three-year performance period is completed, the board, assisted by the CGC, assesses corporate performance against: (i) board approved average pre-tax DCFPS target; and (ii) relative range of TSR results benchmarked against an approved PSU Peer Group (described below).

2020 Pre-tax DCFPS target (70%)

For 2020, seventy percent of the performance criteria for PSU awards granted to our NEOs is determined by Keyera's performance relative to a three-year average pre-tax DCFPS target approved by the board.

To develop the target, the CGC uses the Corporation's prior year pre-tax DCFPS results as a baseline. Potential targets are evaluated relative to historical and projected utilization rates, cash flow, marketing results and commodity price forecasts. Taking into consideration overall industry conditions, the CGC evaluates various DCFPS performance scenarios to assess potential impacts on shareholder return, as well as corresponding compensation outcomes. Based on this analysis, the CGC recommends a three- year average pre-tax DCFPS target, which is recommended to the board for approval.

Performance which achieves the average three-year pre-tax DCFPS target correlates to a PSU performance multiplier of 1.0 times. Maximum payout is capped at a performance multiplier of 2.0 times. The performance range and corresponding performance multipliers based on average pre-tax DCFPS for PSU grants made to our NEOs in 2020 are shown in the table below:

2020 Pre-tax DCFPS performance (70%)

Three Year DCFPS Performance	Performance Threshold	PSU Performance Multiplier (Absolute)	PSU Performance Multiplier (Weighted 70%)
<80% of Target	Minimum	0	0
Target	Target	1.0 times	0.7 times
>120% of Target	Maximum	2.0 times	1.4 times

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

2020 Relative TSR performance (30%)

For 2020, thirty percent of the performance criteria for PSUs awards granted to our NEOs is determined by Keyera's three-year relative TSR performance. Such performance is assessed by the CGC relative to a pre-approved PSU Peer Group. For 2020, the PSU Peer Group consisted of seven midstream peer companies against whom Keyera competes for investment capital, as follows:

2020 PSU Peer Group			
AltaGas Ltd.	Gibson Energy Inc.	Pembina Pipeline Corporation	Tidewater Midstream Ltd.
Enbridge Inc.	Inter Pipeline Ltd.	TC Energy Corporation	

The relative TSR thresholds and corresponding LTI performance multipliers for PSUs granted to our NEOs in 2020 (as well as 2019 and 2018 PSU grants) are provided below:

Relative TSR percentile rank	Performance Threshold	PSU Performance Multiplier (Absolute)	PSU Performance Multiplier (Weighted 30%)
P25 or less	Minimum	0 times to <0.50 times	0
P25 – P49	Below Target	0.5 times to <1.0 times	0.15 to <0.30 times
P50 – P74	Target	1.0 times to <2.0 times	0.30 to <0.60 times
P75 or greater	Maximum	2.0 times	0.60 times

Relative TSR results that fall between the above percentile thresholds are interpolated on a straight-line basis. Maximum relative TSR performance is capped at 2.0 times of target.

2020 PSU awards

The value of PSUs granted to our NEOs is based on competitive market data from our compensation peer group, expressed as a percentage of base salary. PSU grants are targeted at the median (or P50) of corresponding market data, however may be adjusted to reflect an NEO's scope of role, experience or to address internal equity considerations.

PSU grants are reviewed by the CGC in May and approved by the board in June, with an effective date of July 1 the same year. For each NEO, the value of annual PSU grants are based on a range approved by the board. These ranges are reviewed by the CGC each year with the assistance of Mercer. The PSU award eligibility range for our NEOs in 2020 was as follows:

	Minimum PSU grant range (% of base salary)	Maximum PSU grant range (% of base salary)
CEO	250%	500%
Other NEOs	150%	300%

For 2020 the board approved the following PSU grants for our NEOs, which were effective July 1, 2020. The grant date value of these PSU awards is provided below:

NEO[1]	2020 Grant Date Value[2]	PSUs (#)	% of 2020 base salary[3]
David Smith	$2,983,500	138,125	450%
Dean Setoguchi	$1,386,007	64,167	300%
Brad Lock	$964,094	44,634	240%
Eileen Marikar	$741,571	34,332	200%
Nancy Brennan	$693,619	32,112	200%

Notes:
1. Former SVP & CFO Steven Kroeker departed Keyera effective May 19, 2020 and did not receive a 2020 PSU grant, and therefore is omitted from table above.
2. The grant date of 2020 PSU grants to our NEOs was July 1, 2020. Above 2020 PSU grant date values based on the VWAP of our common shares over the 20 trading days before such grant date, which was $21.60.
3. PSU grant values and percentage of base salaries referred to above are based on NEO 2020 base salaries in effect of March 1, 2020 (prior to April 2020 rollback). Ms. Marikar's 2020 PSU grant value was based on her pre-rollback base salary as at May 20, 2020 of $370,775 (upon appointment to SVP & CFO).

Vesting of 2017 PSU awards

PSUs granted to our NEOs in 2017 were settled in 2020. Keyera's three-year pre-tax DCFPS and relative TSR performance relative to the corresponding targets approved by the board in 2017 are set out below:

Vesting and Settlement of 2017 PSU 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
$2.55	$3.27	1.40	-38.5%	0.00	1.40

The value of 2017 PSUs which vested in 2020 was calculated based on a corporate performance multiplier of 1.40 (reflecting performance from July 1, 2017 to June 30, 2020) relative to:

- Keyera's three-year average pre-tax DCFPS (weighted at 70 percent) which, at $3.27, exceeded the 2017 DCFPS target of $2.55; and
- three-year TSR results (weighted at 30 percent) which was -38.5% (relative to the Performance Peer Group).

The number and corresponding value of 2017 PSU awards granted to our NEOs which vested and settled in 2020 is set out in the following table:

NEO	2017 PSUs Settled in 2020 (#)	2017 Grant Date Value[2]	Value of 2017 PSUs Settled in 2020 [3]
David Smith	50,873	$2,080,197	$1,955,617
Dean Setoguchi	19,187	$784,556	$737,572
Brad Lock	19,187	$784,556	$737,572
Eileen Marikar	6,250	$255,563	$240,271
Nancy Brennan [1]	0	$0	$0

Notes:
1. Ms. Brennan joined Keyera in July 2019, and therefore did not receive a 2017 PSU Award.
2. PSU grants to our NEOs in 2017 were effective July 1, 2017. Grant date values above are calculated based on the closing price of our common shares on July 4, 2017 of $40.89.
3. PSUs granted to our NEOs in 2017 vested and were settled effective August 12, 2020. Above settlement values are calculated based on multiplying the number of PSUs granted by the corporate multiplier of 1.40, using an adjustment ratio of 1.20747 and using the closing price of our common shares on August 7, 2020 of $22.74, the last trading day before settlement.

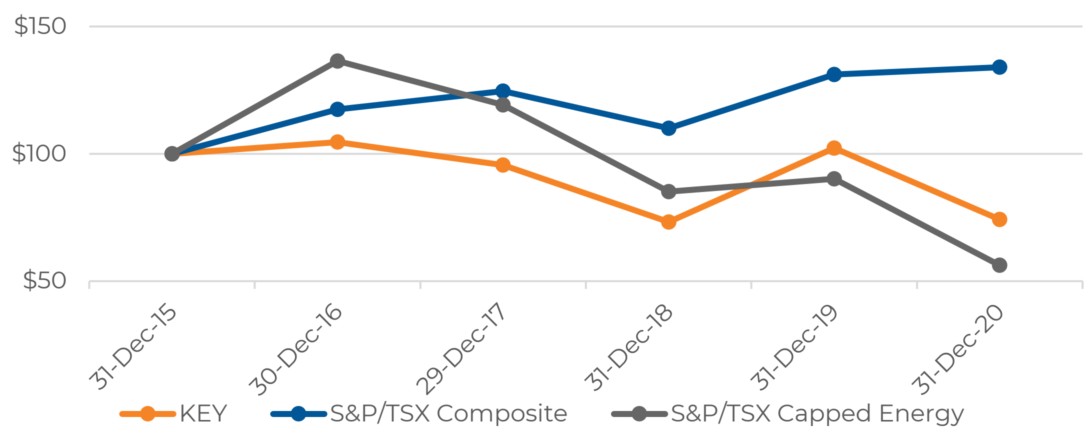
Executive perquisites

To remain competitive with our compensation peers, NEOs receive limited executive perquisites, including one business club membership, executive life insurance and an annual executive medical examination. The value of these benefits does not represent a significant element of executive compensation.

NEOs also participate in the same benefit and pension plans as our employees. For more information regarding the value of perquisites provided to our executives, see the Summary Compensation Table at page 61.

Compensation and our share performance

The graph below shows the change in a $100 investment in Keyera common shares from December 31, 2015 to December 31, 2020, 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, 2020 was $22.62.



	31-Dec-15	30-Dec-16	29-Dec-17	31-Dec-18	31-Dec-19	31-Dec-20
KEY	$100	$105	$96	$73	$102	$74
S&P/TSX Composite	$100	$118	$125	$110	$131	$134
S&P/TSX Capped Energy	$100	$136	$119	$85	$90	$56

The above graph shows the relative performance of Keyera's share price over the five-year period. As noted above, Keyera's share price and the TSX Capped Energy Index consistently underperformed the S&P/TSX Composite Index, however Keyera did outperform the TSX Capped Energy Index in 2020.

Compensation of named executive officers

Summary compensation table

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

Name and position	Year	Salary ($)[1]	Equity incentive plan compensation[4]	Non-equity incentive plan compensation[4]	Pension value[5] ($)	All other compensation ($)[6]	Total compensation ($)
			Share-based awards ($)[2]	Annual incentive plans ($)[3]			
David Smith Former CEO	2020	569,075	2,838,469	506,002	56,910	–	3,970,456
	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
Dean Setoguchi[7] President & CEO	2020	386,500	1,511,118	258,203	38,650	–	2,194,471
	2019	390,000	938,047	334,620	39,000	–	1,701,667
	2018	375,700	859,114	396,739	37,570	–	1,669,123
Brad Lock SVP & COO	2020	373,247	917,229	252,565	37,320	–	1,580,361
	2019	390,000	938,047	318,240	39,000	–	1,685,287
	2018	375,700	859,114	396,739	37,570	–	1,669,123
Eileen Marikar[8] SVP & CFO	2020	312,498	839,683	220,281	30,665	–	1,403,127
	2019	–	–	–	–	–	–
	2018	–	–	–	–	–	–
Nancy Brennan[9] SVP & General Counsel	2020	322,235	659,902	235,526	25,771	–	1,243,434
	2019	168,712	880,689	281,200	13,521	–	1,344,122
	2018	–	–	–	–	–	–
Steven Kroeker[10] Former SVP & CFO	2020	151,506	–	–	15,225	2,901,612	3,068,343
	2019	385,632	927,515	314,676	38,568	–	1,666,391
	2018	374,400	839,794	390,874	37,440	–	1,642,508

Notes:

1. Above salary amounts reflect actual cash amounts paid to our NEOs during 2020. From April 16, 2020 to December 31, 2020, annual salaries for our NEOs were reduced 20 percent (for Messrs. Smith and Setoguchi) and 10 percent (Mr. Lock and Ms. Brennan). Mr. Kroeker's salary was reduced by 10 percent until his departure on May 19, 2020, and Ms. Marikar's base salary was reduced 10 percent upon her appointment as SVP & CFO on May 20, 2020.
2. Effective date of 2020 LTIP grants to our NEOs was July 1, 2020. Above 2020 LTIP grant values based on closing price of Keyera common shares on July 2, 2020 of $20.55. Above 2019 LTIP grant amounts based on closing price for Keyera common shares on July 2, 2019 of $33.54. Above 2018 LTIP grant amounts based on the TSX closing price of Keyera common shares on July 3, 2018 of $36.94.
3. Annual incentive amounts refer to 2020 annual incentive awards paid to our NEOs in February 2021. (See Compensation Discussion and Analysis – Annual Incentive Awards at page 53).
4. Keyera does not have option-based awards or non-equity incentive plans and therefore the Option-based awards and Non-equity Incentive Plan columns have been deleted from the table above.
5. All NEOs participate in our defined contribution (DC) pension plan on same terms as other salaried Keyera employees. Company contributions to the DC plan are based on a combination of age and service. For specific information for each NEO, see page 62.
6. No NEOs received perquisites or other compensation in the aggregate of more than 10% or more of their total salary in 2020.
7. Mr. Setoguchi served as SVP & CCO until February 28, 2020, President and CCO from March 1, 2020 to August 31, 2020 and President from September 1, 2020 to December 31, 2020. Compensation payable to Mr. Setoguchi upon appointment as President & CEO was effective January 1, 2021 and is not reflected in this table. Based on his 2020 promotion to President & CCO, Mr. Setoguchi received a supplemental 2019 PSU grant ($192,486).
8. Base salary amount for Ms. Marikar represents actual amount received from the date of her appointment as SVP & CFO on May 20, 2020 to December 31, 2020. Ms. Marikar was not a NEO prior to her appointment. Based on her 2020 promotion to SVP & CFO, Ms. Marikar received a supplemental 2019 PSU grant ($134,160).

9. Ms. Brennan joined Keyera effective July 2, 2019. For 2019 compensation, salary amount represents actual amount received from July 2, 2019 to December 31, 2019 and share-based awards include an annual 2019 PSU grant ($695,989), plus an additional 2018 PSU grant ($184,700) provided in lieu of a signing bonus.
10. As part of his departure from Keyera on May 19, 2020, Mr. Kroeker received a payment of $2,901,612, comprised of base salary, prior year bonus and benefit entitlements for a 24 month period, consistent with the terms of his executive employment contract. Mr. Kroeker also received a lump sum cash payment (included in the foregoing amount) for a portion of his unvested PSUs, consistent with the termination provisions of the LTI Plan described at page 63. For more information, please refer to termination and change of control table on page 63.

Outstanding share-based awards

The following table sets forth all outstanding share-based awards for each NEO that were unvested as at December 31, 2020. As Keyera does not have an option plan, there are no outstanding option-based awards for our NEOs. Share-based awards below refer to PSUs previously granted to our NEOs under our LTIP.

NEO	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	275,334	$8,056,329	–
Dean Setoguchi	121,131	$3,547,473	–
Brad Lock	95,859	$2,800,929	–
Eileen Marikar	58,357	$1,712,441	–
Nancy Brennan	57,863	$1,700,199	–

Notes:
1. The only share-based awards granted to our NEOs are PSUs granted under our LTIP. The value of PSUs that vest and are settled (in shares purchased on the open market or cash) at the end of the three-year performance period is based on corporate performance relative to a board-approved pre-tax DCFPS target and relative TSR performance over a three-year performance period.
2. Market or payout value of unvested LTIP awards above has been calculated based on the closing price of Keyera common shares on December 31, 2020 of $22.62, multiplied by the target LTIP performance factor of 1.0x and includes corresponding dividend equivalent units based on maintaining Keyera's dividend as $0.16 per share per month (as of March 2021) through to the settlement date. The actual amount paid to the NEO upon vesting of the PSUs may be higher or lower than the amounts presented above.
3. Under our LTIP, PSUs 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, 2020. As Keyera does not have an option plan, our NEOs do not receive option-based awards. Share-based awards refer to PSUs granted to our NEOs in 2017 that vested and were settled in 2020. Non-equity incentive plan compensation refers to 2020 annual incentive awards paid to our NEOs in cash in 2021.

NEO	Share-based awards value vested during the year[(1)]	Non-equity incentive plan compensation value earned during the year[(2)]
David Smith	$1,955,617	$506,002
Dean Setoguchi	$737,572	$258,203
Bradley Lock	$737,572	$252,565
Eileen Marikar	$240,271	$220,281
Nancy Brennan	$0	$235,526

Notes:
1. Represents the value of 2017 PSU awards that vested in 2020. Above values was calculated by multiplying the number of PSUs vested during 2020 by $22.74, the closing price of Keyera common shares on August 7, 2020 of $22.74. At the election of the NEO, such PSUs are settled in cash or common shares purchased on the open market.
2. Represents the cash value of 2020 annual incentive awards paid to our NEOs in February 2020. NEOs receive no other non-equity compensation.

Retirement benefits

Executives participate in the same defined contribution (*DC*) registered pension plan available to all employees. Keyera does not have a defined benefit pension plan. Contributions made by Keyera are based on a combination of age plus years of credited service. Pensionable earnings include base salary to an annual maximum of $58,700 (*contribution limit*). Under the plan, participants select from various investment options and manage their own accounts. Company contribution rates are provided below:

Age plus credited service	Less than 45 years	Between 45 and 54 years	55 years or more
Contribution rate (% base salary)	6%	8%	10%

Where contribution amounts made on behalf of the NEO by Keyera exceed 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.

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 2020 is shown in the table below.

NEO	Accumulated value at start of year ($)	Compensatory (1) ($)	Accumulated value at year end ($)
David Smith	$1,091,212	$56,911	$1,157,178
Dean Setoguchi	$198,463	$38,651	$250,882
Brad Lock	$637,705	$37,320	$706,011
Eileen Marikar	$262,087	$30,666	$305,117
Nancy Brennan	$13,839	$25,772	$42,903

Note:

1. Amounts include pension contributions made by Keyera on behalf of each NEO, plus any excess pension contribution amount. Messrs. Smith, Setoguchi, Lock and Ms. Marikar 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.

Termination and change of control benefits

Executive employment agreements

Each of our NEOs have standard executive employment agreements (*EEAs*) that provide for prescribed cash severance entitlements upon termination of the executive's employment, including following a change in control transaction. Severance entitlements are consistent whether an NEO's employment is terminated: (i) involuntarily by the corporation (without cause); or (ii) by the NEO for specified "good reason", including where either of the foregoing events occurs following a change of control transaction.

Under the EEAs, in any of the foregoing events, the NEO is entitled to receive a cash payment equal to the aggregate of the NEO's: (i) base salary; (ii) target annual incentive award or prior year incentive award (whichever is greater); and (iii) value of benefits (valued at 20 percent of base salary), based on a 24 month severance period. [11] The NEO also receives a prescribed lump sum of $20,000 for outplacement services.

In the event of a change of control transaction, the NEO is entitled to the same cash severance payment where his or her employment is either: (i) involuntarily terminated by the corporation (without cause); or (ii) the NEO elects to terminate employment for good reason within six months following the transaction. In each case, the NEO is required to provide his or her services to the company for sixty days following the change in control transaction. Under the EEAs, such severance payments are therefore "double trigger", requiring both a change in control and subsequent termination of employment for the above cash severance amount to be payable.

The EEAs also address NEO entitlements where employment ends due to termination for cause, resignation, retirement or death, described below.

Under the EEAs, in the event the NEO's employment is terminated for any reason, including following a change in control, unvested long-term incentive grants are treated in accordance with the terms of the LTI plan.

Long-term incentive entitlements

Under the LTI plan, in the event of termination of an NEO's employment (without cause), unvested PSU awards vest and are paid out on a pro-rata basis, relative to the time between the original grant date and the NEO's termination date. For PSU awards, performance is calculated using a performance multiplier of 1.0 times for

[11] Under our current EEAs, severance entitlements of all NEOs (except Mr. Lock) are based on a 24-month period. Due to a legacy agreement, Mr. Lock's agreement for service to increase based on years of service to a maximum of 30 months. Mr. Lock's severance entitlement under his EEA is currently 30 months.

DCFPS and relative TSR performance is calculated from the grant date to end of the last fiscal quarter and the VWAP of Keyera common shares over the 20 trading days prior to termination.

In the event of a change of control, vesting of outstanding PSU awards accelerates to the earlier of the next scheduled vesting date or the sixty first day following the change in control. Unvested PSU awards are valued using a performance multiplier of 1.0 times for DCFPS and Keyera's relative TSR performance from the grant date to the end of the last fiscal quarter prior to date of completion of the change of control transaction, and the closing price of Keyera common shares on the last trading day prior to the transaction.

In this regard, LTI entitlements of NEOs on a change in control are "single trigger", requiring only a change in control and no subsequent termination of employment for unvested LTI grants to vest and be paid out.

Change in control definition

Under both the EEAs and LTI plan, a "change in control" is defined as a transaction or series of transactions involving, in respect of Keyera: (i) the sale of all or substantially all of its assets; (ii) its liquidation, dissolution or winding up; (iii) a transaction that results in its shareholders no longer controlling more than 50 percent of its voting securities and/or its directors no longer constituting a majority of our board; (iv) acquisition by a third party of 50 percent 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.

Termination events

NEOs' respective entitlements under our current EEAs and LTI plan, including on or following a change in control, are outlined below.

Termination Event	Description	EEA Entitlement	LTI Plan Entitlement
Without Cause	NEO's employment is involuntarily terminated by Keyera other than for cause (whether in normal course or following change in control)	Cash payment based on NEO's base salary; annual incentive award target or prior year award (greater of) and benefits, calculated using a 24 month severance period. NEO also receives $20,000 for outplacement services	Unvested PSU grants vest and are paid out on a pro-rata basis relative to time between the grant date and termination date. Performance is determined based on Keyera's performance up to the most recently completed quarter that is at least 20 days prior to the date of termination
Good Reason	NEO elects to terminate employment for "good reason" (defined as an unilateral fundamental change in the NEO's role, compensation or reporting relationship or a required relocation). In the event of a change of control, the NEO must make this election within six months following the transaction	Same severance entitlements as described for a "termination without cause" above	Same treatment as described for "termination without cause" above
For Cause	Termination of NEO's employment by Keyera for "cause" as defined by common law	NEO is paid for any amounts owed up to date of termination. Receives no severance or other entitlements	Unvested annual incentive awards and PSU grants are immediately forfeited by NEOs and cancelled
Resignation	NEO resigns from Keyera	NEO is paid for any amounts owed to date of resignation. Receives no severance or other entitlements	Unvested annual incentive awards and PSU grants are immediately forfeited by NEOs and cancelled
Retirement	NEO retires from Keyera (and is of retirement age)	NEO is paid for any amounts owing to date of resignation. Receives no severance or other entitlements beyond accrued pension amounts	PSU grants made prior to 2020 continue to vest and are paid out in accordance with original vesting schedule. 2020 PSU grants vest and are paid out on a pro-rata basis (calculated as described under "termination without cause" above) unless otherwise agreed by the CGC
Death	Death of NEO	NEO's estate is paid for any amounts owed up to date of death. CGC has discretion to award any annual incentive award earned to date of death	PSU grants are accelerated and paid out to NEO's estate

NEW In 2020, the board, assisted by the CGC, undertook a comprehensive review of the provisions of our EEAs and LTI plan. Following such review, which occurred over several meetings in 2020, the board directionally approved the following changes, which will be finalized and take effect in 2021:

- severance entitlements under the EEAs will be reduced for new senior executives from 24 to 18 months;
- incentive compensation claw back provisions will be expanded to apply to all current and newly appointed senior executives (not just our CEO); and
- our LTI plan will be updated to include "double trigger" vesting provisions upon change in control for grants made to senior executives starting in 2021.

CEO retirement

In respect of retirement of former CEO, David Smith, effective December 31, 2020, Mr. Smith received no severance amounts, however the board approved an arrangement whereby PSUs previously granted to Mr. Smith would continue to vest and be paid out in accordance with their existing vesting schedule. In exchange, Mr. Smith agreed to certain non-competition provisions which will apply for the duration of such outstanding PSU grants.

Termination and change in control table

The following table describes amounts payable to each NEO in the event of a termination of employment (without cause or for good reason), following a change in control or if retirement or death had occurred on December 31, 2020.

NEO	Compensation element[1]	Termination Without Cause or Good Reason ($)[2],[3]	Termination upon change in control ($)	Change in Control, no termination ($)	Retirement ($)[4][5]	Death ($)[6]
David Smith	Cash severance	1,673,041	1,673,041	–	–	–
	Annual Incentive Awards	1,761,500	1,761,500	–	506,002	506,002
	LTI Grants	3,595,676	6,484,414	6,484,415	8,056,328	6,270,420
	Total	7,030,217	9,918,955	6,484,415	8,562,330[7]	6,776,422
Dean Setoguchi	Cash severance	984,837	984,837	–	–	–
	Annual Incentive Awards	669,240	669,240	–	258,203	258,203
	LTI Grants	1,536,802	2,897,607	2,897,607	3,547,472	2,757,734
	Total	3,190,879	4,551,684	2,897,607	3,805,675	3,015,937
Brad Lock	Cash severance	1,072,172	1,072,172	–	–	–
	Annual Incentive Awards	636,480	636,480	–	252,565	252,565
	LTI Grants	1,307,431	2,216,815	2,216,815	2,800,929	2,187,749
	Total	3,016,083	3,925,467	2,216,815	3,053,494	2,440,314
Eileen Marikar	Cash severance	795,620	795,620	–	–	–
	Annual Incentive Awards	519,086	519,086	–	220,281	220,281
	LTI Grants	692,187	1,439,650	1,439,650	1,712,440	1,326,591
	Total	2,006,893	2,754,356	1,439,650	1,932,721	1,546,871
Nancy Brennan	Cash severance	752,097	752,097	–	–	–
	Annual Incentive Awards	562,400	562,400	–	235,526	235,526
	LTI Grants	656,998	1,375,032	1,375,032	1,700,199	1,294,666
	Total	1,971,495	2,689,529	1,375,032	1,935,725	1,530,192

Notes:

1. Cash severance amounts include, where applicable, an NEO's base salary, employee benefits (valued at 20% base salary) and executive perquisites (annual club membership, parking, life insurance and executive medical) for a 24-month period for Mr. Setoguchi, Ms. Marikar and Ms. Brennan. Under legacy EEAs for Messrs. Smith and Lock, cash severance is calculated based on 30 months, reflecting maximum years of recognized service under the agreements. For all NEOs, amounts include a $20,000 lump sum cash payment for outplacement services.
2. In the event of a termination without cause or upon a change in control, annual incentive award payments are based on two times the greater of the target annual incentive award or the most recently paid annual incentive award.
3. Upon a change in control, unvested PSUs fully accelerate and are paid in cash, as described above, whether or not a termination of employment occurs.

4. The retirement calculation assumes that the NEO received full vesting for all outstanding PSUs. These PSU values have been calculated based on: (i) a share price of $22.62, the closing price of Keyera common shares on December 31, 2020; (ii) maintenance of current dividend rate (through to the PSU delivery date, of $0.16 per share); and (iii) PSU payout multiplier of 1.0x.
5. For the above, annual incentive award entitlements for all NEOs have been calculated as though each had reached age 55 . Such retiree (age 55 or over) treatment provides NEOs with a full-year annual incentive award upon retirement based on the value of their last annual incentive award. Under our annual incentive plan, NEOs who retire before age 55 do not receive an annual incentive award. Of our NEOs, only Messrs. Smith and Lock are currently age 55 or older.
6. Upon death, an NEO's unvested PSU wards vest on their original vesting date, however performance is based on: (i) pre-tax DCFPS a payout multiplier of 1.0x (where death occurs in the first year of grant) or average pre-tax DCFPS from grant date to 20 days before death (where death occurs in second or third years of grant); (ii) relative TSR calculated from end of last fiscal quarter to date of death. Above PSU values have been calculated based on: (i) a share price of $22.62, the closing price of Keyera common shares on December 31, 2020; (ii) dividend paid up to December 31, 2020; and (iii) PSU payout multiplier in accordance with the plan.
7. Amount for Mr. Smith above calculated using the same methodology described in footnote 4 above. As noted under "CEO retirement" above, Mr. Smith received no cash payment for unvested PSUs upon his retirement date of December 31, 2020, however such PSUs continue to vest and will be paid out in accordance with their original vesting schedule.

Steven Kroeker, Keyera's former SVP & CFO, departed his role on May 19, 2020 as part of Keyera's succession planning. Payments provided to Mr. Kroeker enabled an orderly transition of Ms. Marikar into the role of SVP & CFO, consistent with Keyera's long-term succession plan. For additional information on such payments, please refer to the "Summary Compensation Table" on page 61.

Other matters

Interest of certain persons in matters to be acted upon

None of the directors or executive officers of Keyera holding office since January 1, 2020, no nominees for director 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, 2020 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 or executive officers of Keyera, and none of the nominees for director of Keyera, nor any associate of any one of them, is or was indebted, directly or indirectly, to Keyera at any time since January 1, 2020.

Additional information

Financial information relating to Keyera is provided in the consolidated annual financial statements and MD&A of Keyera for the year ended December 31, 2020. An overview of Keyera and our business operations is contained in our 2020 AIF. 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*).

See Schedule "B"–Non-GAAP reconciliation for more information and a reconciliation to GAAP of certain non-GAAP measures included in this information circular.

Schedule "A" – 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 effect 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 "B" – Non-GAAP reconciliation

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, also known as International Financial Reporting Standards (*GAAP*). In particular, this Information Circular refers to the following non-GAAP measures:

- DCF, or distributable cash flow, which is calculated as cash flow from operating activities adjusted for changes in non-cash working capital, lease payments, inventory write-down and maintenance capital expenditures). DCF 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. Keyera also uses after-tax and pre-tax DCF as a performance metric under each of our annual incentive awards and LTIP, respectively;
- DCFPS, or DCF per share, which is calculated by dividing DCF by the weighted average number of our common shares outstanding for the relevant period;
- TSR, or total shareholder return, which means share price appreciation and dividends paid. TSR is a concept that is often used to compare the performance of different companies' shares and dividends over time;
- RTSR, or relative TSR, compares the TSR of Keyera against the TSR of select compensation peers. RTSR is also used as a performance metric under our LTIP;
- EBITDA, which means earnings before interest, taxes, depreciation and amortization, which Keyera believes is a key indicator of Keyera's financial performance;
- adjusted EBITDA, which means 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). Adjusted EBITDA is a measure used as an indication of earnings generated from operations after consideration of administrative and overhead costs, and Keyera believes Adjusted EBITDA is a key indicator of Keyera's financial performance. Adjusted EBITDA is also an indirect measure used as part of Keyera's executive compensation programs; payout ratio, which is calculated as dividends declared to shareholders divided by DCF.

Management believes that these supplemental measures facilitate the understanding of Keyera's results of operations, leverage, liquidity and financial position and gives useful information to investors and shareholders as they provide increased transparency and insight into the performance of the Corporation. In addition, DCF, DCFPS and RTSR are direct measures used for purposes of Keyera's executive compensation programs.

These are not standard measures under GAAP and, therefore, may not be comparable to similar measures reported by other entities. 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 2020 annual consolidated financial statements and associated MD&A 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. Additional information on certain of these measures, including certain reconciliations to GAAP, are presented below.

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; and
- restructuring costs.

Distributable cash flow (DCF)

The following table presents the reconciliation of cash provided by operating activities, as calculated under GAAP, 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, 2020 was $718 million. DCF was converted to DCFPS by dividing DCF of $718 million by 220,442,000, being the weighted average number of Keyera shares outstanding for the year ended December 31, 2020. This calculation applies to the determination of the corporate multiplier for executive annual incentive awards 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)	2020
Cash flow from operating activities	688,173
Add (deduct):	
Changes in non-cash working capital	122,263
Funds from operations	810,436
Maintenance capital	(29,116)
Leases	(49,416)
Prepaid lease asset	(221)
Inventory write down	(13,507)
Distributable cash flow	718,176
Dividends declared to shareholders	423,485
Payout ratio	59%

See Keyera's 2020 MD&A for a reconciliation to cash flow from operating activities.

Relative total shareholder return (RTSR)

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, 2020 were $495 million and $874 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 annual incentive awards payments as described in this Information Circular.

EBITDA (Thousands of Canadian dollars)	2020
Net earnings	62,030
Add (deduct):	
Finance costs	131,507
Depreciation, depletion and amortization expenses	290,416
Income tax expense	11,121
EBITDA	495,074
Unrealized loss on commodity-related contracts	16,624
Net foreign currency gain on U.S. debt and other	(9,421)
Impairment expense	371,305
Adjusted EBITDA	873,582

See Keyera's 2020 Year End Report dated February 10, 2021 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 2020 MD&A available on SEDAR at www.sedar.com or on Keyera's website at www.keyera.com.