

# SAFETY, ENVIRONMENT AND OPERATIONAL EXCELLENCE COMMITTEE CHARTER



## I. ROLE AND OBJECTIVES

The Safety, Environment and Operational Excellence Committee (the "Committee") is a committee of the Board of Directors (the "Board") of Pembina Pipeline Corporation (the "Corporation") to which the Board has delegated certain responsibilities relating to safety, environment, operational excellence, asset integrity management, corporate security and cyber security matters. In this Charter, the Corporation and all entities controlled by the Corporation are collectively referred to as "Pembina".

The Committee carries out its responsibilities with a view to the purpose of Pembina, and its role is to support Pembina's commitment to two key stakeholder groups, as follows:

- Employees say we are the 'employer of choice' and value our safe, respectful, collaborative and inclusive work culture;
- Communities welcome us and recognize the net positive impact of our social and environmental commitment.

To that end, the objectives of the Committee are to assist the Board in fulfilling its oversight responsibilities (especially for accountability) in respect of development, implementation and monitoring of Pembina's safety, environment, operational excellence, asset integrity management, corporate security and cyber security policies. The Committee will prepare reports, if and when required, for inclusion in the disclosure documents for Pembina.

## II. MEMBERSHIP AND ACCESS

The Board will appoint members of the Committee. The Committee must be composed of not less than three (3) members of the Board, the majority of whom must be independent. The Board will fill any vacancy if and when the Committee has less than three (3) members and may remove members by resolution.

The Board Chair will select the Chair of the Committee from amongst its members.

The Committee has the authority to select, engage and remunerate independent safety, environment, operational excellence, asset integrity management, corporate security and cyber security consulting firms, independent counsel and other advisors to assist in carrying out its duties, as deemed necessary. The Corporation will provide appropriate funding to compensate any advisors that the Committee chooses to engage.

In discharging its duties under this Charter, the Committee may investigate any matter brought to its attention and will have access to all books, records, facilities and personnel, may conduct meetings or interview any officer or employee, the Corporation's legal counsel, external auditors and consultants, and may invite any such persons to attend any part of any meeting of the Committee.

### III. FUNCTIONS

#### A. Oversight of Safety, Environment and Operational Excellence Policies

The Committee will:

- (a) require management to develop policies and maintain standards of performance that meet or exceed legal and regulatory requirements and industry standards in the areas of process and occupational safety, environment, operational excellence, asset integrity management, corporate security and cyber security stewardship;
- (b) require management to identify risks and develop appropriate mitigation plans related to process and occupational safety, environment, operational excellence, asset integrity management, corporate security and cyber security;
- (c) with regard to the process and occupational safety, environment, operational excellence, asset integrity management, corporate security and cyber security programs:
  - (i) require management to regularly monitor and report on Pembina's strategies and performance, including emerging issues, significant events, summaries of inspections and audits and corrective action plans taken in response to deficiencies.
  - (ii) review and make recommendations to the Board with respect to the insurable risks.
  - (iii) monitor current, pending or threatened litigation by or against Pembina.
  - (iv) review loss prevention policies and emergency response plans and recovery programs and require management to routinely test the plans.
  - (v) require appropriate employee training.

#### B. SEOE Performance Metrics:

The Committee will make a recommendation to the Human Resources and Compensation Committee annually to enable determination of the SEOE metrics relative to the Corporation's incentive award programs.

### IV. MEETINGS

The Committee will meet quarterly, or more frequently at the discretion of the members of the Committee, as circumstances require.

Notice of each meeting of the Committee will be given to each member. The notice will:

- (a) be in writing (which may be communicated by fax or email);
- (b) be accompanied by an agenda that states the nature of the business to be transacted at the meeting in reasonable detail;
- (c) be given at least 48 hours preceding the time stipulated for the meeting, unless notice is waived by the Committee members; and
- (d) if documentation is to be considered at the meeting, it should be provided seven (7) days in advance of the meeting if practicable, and in any event with reasonably sufficient time to review documentation.

A quorum for a meeting of the Committee is a majority of the members present in person or by telephone.

If the Chair is not present at a meeting of the Committee, a Chair will be selected from among the members present. The Chair will not have a second or deciding vote in the event of an equality of votes.

The Committee may invite others to attend any part of any meeting of the Committee as it deems appropriate. This includes members of management, any employee, the Corporation's legal counsel, external auditors and consultants.

Minutes will be kept of all meetings of the Committee. The minutes will include copies of all resolutions passed at each meeting, will be maintained with the Corporation's records, and will be available for review by members of the Committee, the Board, management and the external auditor.

## **V. ADDITIONAL RESPONSIBILITIES**

### **A. Review of Charter**

The Committee shall review and reassess the adequacy of this Charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Governance, Nominating and Corporate Social Responsibility Committee.

### **B. Review of Policies**

The Committee shall review proposed changes to Board policies relating to the matters set out in this Charter, annually or as it otherwise deems appropriate.

### **C. Risk Management**

The Committee shall provide oversight of risk management with respect to the areas outlined in this Charter.

### **D. Evaluation**

The assessment of the Committee shall be facilitated annually by the Board Chair.

### **E. Reporting and Board Advisory Role**

The Committee shall report regularly to the Board on its activities, including the results of meetings and reviews undertaken, and any associated recommendations. The Committee shall periodically facilitate and promote education of the Board with regard to the matters set out in this Charter, including education sessions with external consultants at the Committee's discretion.

The Committee shall facilitate information sharing with other Board committees as required to address matters of mutual interest or concern in respect of matters set out in this Charter. The Committee will perform such other functions as are assigned by law and the Corporation's by-laws, and on the instructions of the Board.