

Our Pathway for Sustainable Growth

2023 Sustainability
Highlights

About Us

Pembina Gas Infrastructure

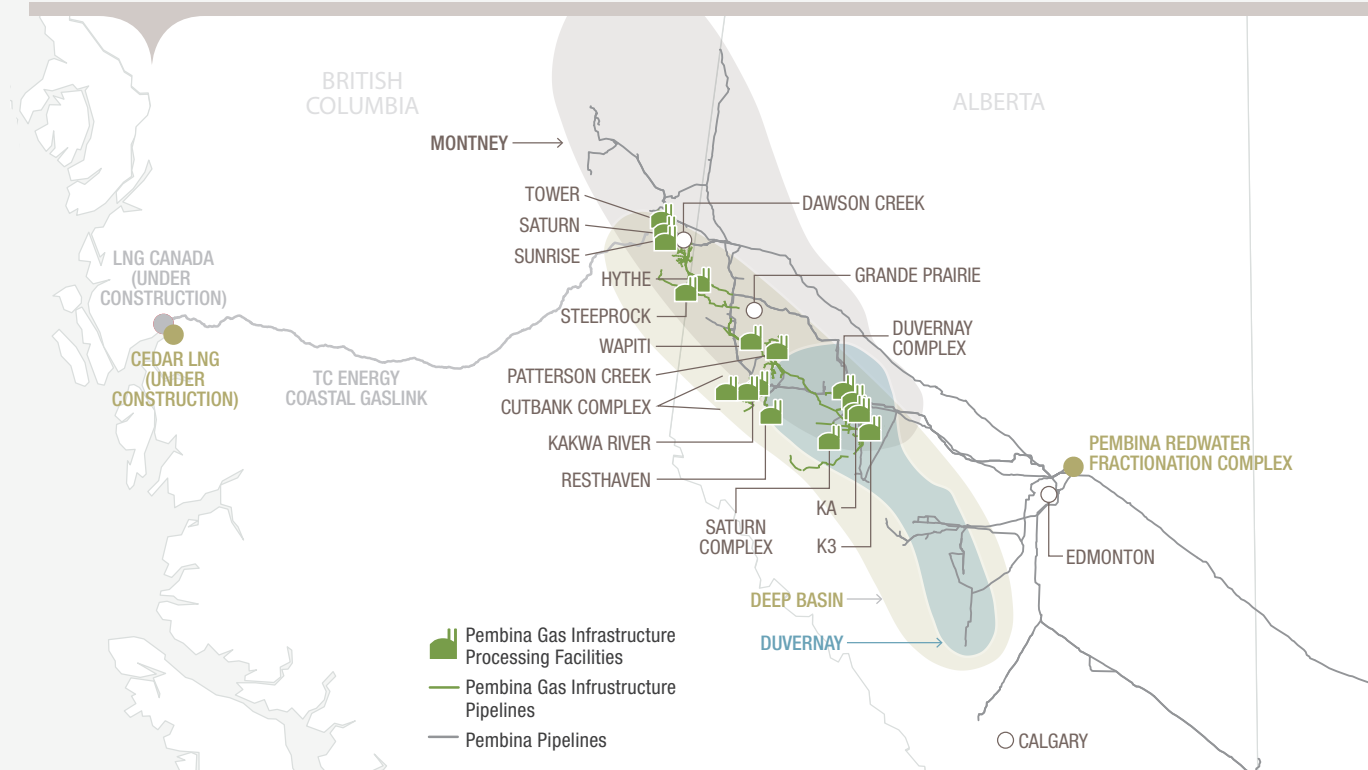
Western Canada's Premier Natural Gas Processor

PGL is a premier natural gas processing entity in Western Canada with a combined capacity of over 5 bcf/d. The formation of PGL is a continuation of the long-standing partnership between Pembina and KKR. PGL is strategically positioned to serve customers throughout the Montney, Deep Basin and Duvernay from central Alberta to northeast British Columbia. Pembina owns 60% of PGL and is an operator and manager of PGL facilities, while KKR owns the remaining 40%.

PGL is focused on being a reliable, safe, and nimble partner with our energy producing customers in Western Canada. We help them achieve their objectives by providing services which ultimately support connecting their natural gas products to the world. While serving our customers, we also support the communities we operate in and are committed to ESG initiatives to promote a sustainable energy future.

Our

Operations



Reading this Report Defined Terms

The terms "PGL," "the company," "our," "we," and "organization" refers to Pembina Gas Infrastructure Inc., and its subsidiaries, as applicable.

The terms "Pembina" refers to Pembina Pipeline Corporation and "KKR" refers to Kohlberg Kravis Roberts & Co. L.P.

The term "our owners" refers to the joint venture ownership of PGL, where Pembina owns 60% and KKR owns 40%.

The terms "our managing owner" and "our managing operator" refer to Pembina as the manager of PGL.

PGL adopts and makes reference to our managing owner's policies, procedures, frameworks and

systems, as applicable, for the management of our business and operations. Refer to Pembina's [2023 Sustainability Report](#) for more information.

The terms "our operators" and "our contract operators" refer to Pembina and Oviniv Canada ULC ("Oviniv") as PGL's contract operators. Pembina operates the majority of PGL's assets, except for certain gas plants and associated infrastructure located in British Columbia which are operated by Oviniv, collectively "the Dawson area."

The terms "PGL's employees" or "our employees" refers to head office employees of Pembina who are dedicated solely to PGL. The term "workforce" refers

to PGL employees, as well as Pembina and Oviniv personnel contracted by PGL who are responsible for PGL-owned assets, as applicable.

The term "stakeholder" refers collectively to the individuals and groups who have an interest in, or may be affected by, the work we do. We recognize that Indigenous and Tribal People in Canada and the United States have distinct rights, title and connection to the land, as affirmed in Pembina's Indigenous and Tribal Relations Policy.

The terms "our customers" and "producers" refers to the oil and gas producing companies which PGL serves.

"Throughput volumes" refers to natural gas processed at our infrastructure, measured in barrels of oil equivalent.

Other terms that appear in this report include: Greenhouse Gases ("GHG"), Environment, Social, and Governance ("ESG"); natural gas ("gas"); Liquefied Natural Gas ("LNG"); carbon dioxide ("CO₂"), carbon dioxide equivalent (CO₂e).

Units of measure appearing in this report include: million cubic feet per day ("mmcf/d"), billion cubic feet per day ("bcf/d"); kilowatt-hours ("kWh"); gigawatt-hours ("GWh"); metric tonnes of carbon dioxide equivalent (tCO₂e); barrel of oil equivalent ("BOE").

Message from our President and CEO

As a new company, PGI has the opportunity to integrate sustainability into our core strategy. We are positioning ourselves to be an environmental leader now and into the future. We believe that focusing on sustainability provides enduring value that benefits us all, helping our organization thrive. —

On behalf of the Pembina Gas Infrastructure's leadership team, I am pleased to share our 2023 Sustainability Report, which reflects PGI's first full year of operations.

Our inaugural report in 2022 outlined our vision to be an industry leader and integrate best practices across our company to operate safely and reliably, reduce risk, and enhance value for all our stakeholders. We are proud of the progress we have made, and we are excited about our future.

As Canada's largest privately owned natural gas processing company, we play a vital role in connecting energy producers in Western Canada to global markets. With over five billion cubic feet of natural gas processing capacity, we are dedicated to delivering reliable energy solutions that meet growing demand, prioritizing safety and agility. We recognize that the future of energy requires innovative approaches to reduce emissions, and we are excited to support a more sustainable future.



Our 2023 Performance

Aligned with our managing owner, Pembina Pipeline Corporation, PGI is committed to reducing operational emissions through technology, improved operating practices, increased use of renewable energy, and lower carbon investments all while delivering secure, affordable, and environmentally responsible energy.



As part of our approach, we committed to achieving a

30%

GHG emissions intensity reduction, relative to a 2019 baseline, and are making important strides to meet that target.

In 2023, our emissions intensity decreased approximately 9% compared to 2022. This improvement was a result of new emissions reduction projects, increased volume throughput efficiencies, and reduced emissions associated with Alberta's power grid. Our hydro-electric connected facilities in Dawson Creek, British Columbia continue to lead in world-class lower emission gas processing and further contributed to the year-over-year decrease. Overall, we have made notable strides by achieving more than one-third of our 2030 emissions reduction target.

These initiatives not only support our commitment to sustainability but also strengthen our ability to meet the evolving needs of our customers.

Operating Safely: Zero by Choice

Working safely is a way of life at PGI. Safety is a core value that is reflected in our “Zero by Choice” culture, which seeks to achieve zero harm to people, assets and the environment.

In 2023, we achieved another year of safe and reliable operations, with no lost-time injuries, despite heightened activity from new asset integration and business growth. We are committed to prioritizing the highest standards of asset integrity and the safety and well-being of our employees, contractors, and the communities we serve.



Investing in Our Communities

Our approach to community investment is guided by three key pillars: **supporting strong Indigenous communities; building safe, inclusive and more connected communities; and protecting the natural environment as part of a sustainable future.**

Our work involves engaging directly with communities to better understand what the people and communities surrounding our operations value and how we can best support them in a way that will deliver lasting benefits.

In 2023, we supported 41 organizations, providing more than \$370,000 in funding. This includes continued investment in STEM education in the communities we operate through our partnership with DiscoverE, to provide students with engaging interactive engineering experiences and cultivate future engineers.

Additionally, we made important investments connected to our mission to help those most vulnerable in our communities. We supported a youth emergency shelter with a multi-year funding commitment to increase their capacity to provide temporary and transitional shelter to youth across northwest Alberta. We also provided funding for communities impacted by wildfires.

Excited For Our Future

Our sustainability journey at PGI is well underway and we are excited to build on the momentum we’ve generated since our inception.



We are dedicated to building a resilient and sustainable business that drives value for our customers, investors, communities, and employees.

As we work to reduce emissions across our operations, while being a safe and responsible operator with strong community values, PGI remains deeply committed to supporting Canada’s position as a provider of responsibly produced energy to the world.

PGI has a promising outlook, and we are proud of our desire to contribute to a healthier future.



Chris Rousch
President & Chief Executive Office

Sustainability Focus Areas

2023 | At A Glance
Performance



Emissions

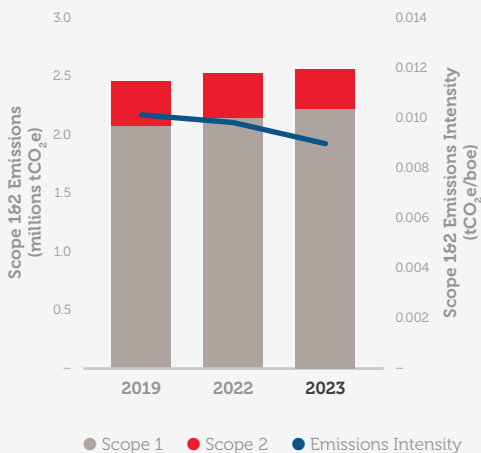
8.7%

year-over-year
reduction in
emissions intensity

11.7%

reduction in
emissions intensity
from our 2019 baseline

GHG Emissions and Future Target



Our volume throughput
increased by

11.6%

year-over-year



62%

of our electricity
consumption is from
renewable sources



Methane emissions
as a percentage of
Scope 1 GHG are

2.2% lower

year-over-year

Operations

Safety



Total Recordable
Incident Frequency is

0.86

combined
employees and contractors



Zero

lost time incidents in 2023

Accumulated over

1,400

Hazard Identifications &
almost

3,000

Positive Safety Recognitions

Sustainability Focus Areas

2023 | At A Glance
Performance



Community



We invested
\$370,000
into our communities



We directed
\$6.5 million
of capital & operating
spending towards
Indigenous suppliers

Employees



Over **500**
workforce dedicated
to PGI's assets



We increased women
in our workforce by
2% year-over-year

44%
of PGI's employees &
38%
of PGI's managers
are women

Looking Forward



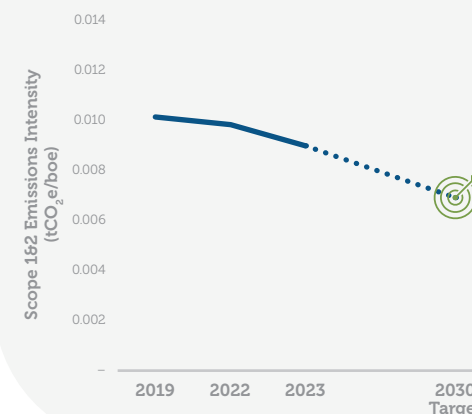
We sanctioned emissions reduction
projects that we expect will
lower our
Scope 1 emissions by
44,000
tonnes per year



Our Dawson area plants
achieved an
emissions intensity
35% lower
compared to 2019



GHG Emissions Intensity and Future Target



Data Tables

PGI's Sustainability reporting performance metrics throughout this report and below are derived on an equity basis from inputs from our contract operators Pembina and Oviniv, as well as our corporate organization. Our contract operators prepare sustainability performance data for PGI-owned assets in alignment with recognized sustainability reporting frameworks and their data is reviewed and aggregated by PGI. We strive to conform to applicable SASB and GRI framework standards, and have listed applicable framework references in our data tables below.

ESG Performance Tables

Governance

Economic Value Generated and Distributed	Applicable Framework	Units	2022 ¹	2023 ²
Direct Economic Value Generated ^{3,4}	GRI 201-1	\$millions	641.0	2,583.0
Direct Economic Value Distributed^{4,5}				
Operating and General and Administrative Expenses ⁶	GRI 201-1	\$millions	254.0	506.0
Payments to Providers of Capital ⁷	GRI 201-1	\$millions	312.0	744.0
Employee Wages and Benefits	GRI 201-1	\$millions	2.3	7.1
Total Tax Paid ⁸	GRI 207-4	\$millions	10.3	27.7

Employee Well-Being and Culture

Workforce ⁹	Applicable Framework	Units	2022 ¹⁰	2023 ¹⁰
Total Workforce	GRI 401-2	Number	484	502
Gender Inclusion				
Women in the Workforce	GRI 405-1	Number	60	69
Women in the Workforce	GRI 405-1	Percentage	12%	14%
Women in Managerial Positions	GRI 405-1	Percentage	15%	19%
Age Demographics				
Aged 50+ in the Workforce	GRI 405-1	Percentage	24%	23%
Aged Between 30 and 49 in the Workforce	GRI 405-1	Percentage	61%	63%
Aged Under 30 in the Workforce	GRI 405-1	Percentage	15%	14%

Energy Transition and Climate¹¹

Climate Change Management ^{12,13}	Applicable Framework	Units	2022 ¹⁴	2023 ¹⁵
Total Scope 1 GHG Emissions ¹⁶	SASB EM-MD-110a.1 GRI 305-1	Metric tonnes of carbon dioxide equivalent	2,159,805	2,228,729
Methane (CH ₄)	SASB EM-MD-110a.1 GRI 305-1	Metric tonnes of carbon dioxide equivalent	203,616	205,498
Methane GHG Emissions as % of Scope 1 GHG	SASB EM-MD-110a.1 GRI 305-1	Percentage	9.4%	9.2%
Scope 1 GHG Covered Under Emissions-Limiting Regulation	SASB EM-MD-110a.1	Percentage	100%	100%
Total Scope 2 GHG Emissions ¹⁷	SASB EM-MD-110a.1 GRI 305-2	Metric tonnes of carbon dioxide equivalent	366,088	345,467
Scope 1 & 2 GHG Emissions Intensity		Metric tonnes of carbon dioxide equivalent per barrel of oil equivalent	0.0127	0.0116
Energy Use ¹⁸	Applicable Framework	Units	2022 ¹⁹	2023 ²⁰
Total Electricity Consumption		Gigawatt hours	1,621	1,680
Renewable Electricity Consumption Proportion ²¹		Percentage	60%	62%
Natural Gas Consumption		Gigajoules	34,115,605	39,705,790
Renewable Energy Consumption Proportion ²²		Percentage	8.7%	8.3%
Air Quality ²³	Applicable Framework	Units	2022 ²⁴	2023 ²⁵
SOx Emissions	SASB EM-MD-120a.1	Metric tonnes	5,777	7,726
NOx Emissions	SASB EM-MD-120a.1	Metric tonnes	5,692	5,831
Particulate Matter (PM ₁₀) Emissions	SASB EM-MD-120a.1	Metric tonnes	199	203
Volatile Organic Compounds (VOCs) Emissions	SASB EM-MD-120a.1	Metric tonnes	1,391	1,275

Health and Safety

Workforce Health and Safety	Applicable Framework	Units	2022 ²⁶	2023 ²⁷
Fatalities (Employees and Contractors) ²⁸	GRI 403-9	Number	0	0
Total Recordable Injury Frequency (TRIF)²⁹				
Employees (TRIF)	GRI 403-9	Rate	0.36	0.73
Contractors (TRIF)	GRI 403-9	Rate	2.07	1.16
Combined (TRIF)	GRI 403-9	Rate	0.95	0.86
Near Miss Frequency Rate (NMFR)³⁰				
Employees (NMFR)	GRI 403-2	Rate	14.50	4.04
Contractors (NMFR)	GRI 403-2	Rate	4.14	5.52
Combined (NMFR)	GRI 403-2	Rate	10.93	4.48
Preventable Motor Vehicle Incidents (MVI)³¹				
Employees (MVI)		Rate	0.00	0.67
Contractors (MVI)		Rate	0.27	4.09

Responsible Asset Management

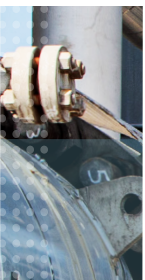
Spill Prevention & Mitigation	Applicable Framework	Units	2022 ³²	2023 ³³
Incidents (Spills, Releases, and Significant Failures)				
Reportable Pipeline Incidents ³⁴	SASB EM-MD-540a.1	Number	1	0
Significant Reportable Pipeline Incidents ³⁵	SASB EM-MD-540a.1	Number	0	0
Hydrocarbon Spills				
Hydrocarbon Spills ³⁶	SASB EM-MD-160a.4	Number	0	1
Aggregate Volume of Hydrocarbon Spills	SASB EM-MD-160a.4	Barrels	0	125.8
Volume of Hydrocarbon Spills Recovered	SASB EM-MD-160a.4	Barrels	N/A	125.8
Waste Management ^{37,38}	Applicable Framework	Units	2022 ³⁹	2023 ⁴⁰
Total Waste (Non-Hazardous and Hazardous)				
Total Non-Hazardous Waste	GRI 306-3	Metric tonnes	15,406	4,998
Total Hazardous Waste	GRI 306-3	Metric tonnes	3,745	47,036
Total Waste Generated	GRI 306-3	Metric tonnes	19,151	52,034
Waste to Disposal (e.g., Landfill, Incineration)				
Non-Hazardous Waste (Excluding Produced and Process Water)	GRI 306-5	Metric tonnes	10,459	3,864
Non-Hazardous Produced and Process Water Waste	GRI 306-5	Metric tonnes	4,676	959
Hazardous Waste	GRI 306-5	Metric tonnes	3,715	46,939
Total Waste to Disposal	GRI 306-5	Metric tonnes	18,851	51,761
Water Management	Applicable Framework	Units	2022 ⁴¹	2023 ⁴²
Total Water Withdrawal ⁴³	GRI 303-3	Cubic metres	1,116,000	1,300,000
Total Water Disposed ⁴⁴	GRI 303-2	Cubic metres	5,776,917	5,236,771
Total Water Returned to the Environment ⁴⁵	GRI 303-4	Cubic metres	55,640	43,050
Total Fresh Water Consumed ⁴⁶	GRI 303-5	Cubic metres	1,156,697	1,327,476
Land Use & Restoration; Biodiversity	Applicable Framework	Units	2022 ⁴⁷	2023 ⁴⁷
Terrestrial Acreage Disturbed	SASB EM-MD-160a.3	Hectares	4,838	4,573
Impacted Area Restored in 2022	SASB EM-MD-160a.3	Percentage	10.1%	7.2%
Land Owned, Leased, and/or Operated within Areas of Protected Conservation Status or Endangered Species Habitat	SASB EM-MD-160a.2	Percentage by Acreage	0.036%	0.038%
Community and Stakeholder Relations	Applicable Framework	Units	2022 ⁴⁹	2023 ⁴⁹
Total Community Investments ⁴⁸	Adapted from GRI 201-1	\$millions	0.17	0.37
Indigenous Spending ^{50,51}		\$millions	Not reported	6.5

Footnotes

1. 2022 metrics are from PGI inception to year end 2022 (Aug 15, 2022 to Dec 31, 2022).
2. 2023 metrics are Jan 1, 2023 to Dec 31, 2023. Economic value increased in 2023 compared to 2022 due to a full year of contributions reported in 2023 versus a partial year of contributions reported in 2022 from Aug 15, 2022 to Dec 31, 2022.
3. Direct Economic Value Generated represents net revenue, including net sales, a realized gain on a commodity-related derivative, and interest income.
4. These terms are non-GAAP financial measures as they are financial measures that are not specified, defined or determined in accordance with GAAP. This report also refers to certain other terms commonly used to satisfy sustainability reporting requirements. These terms are not necessarily used by PGI in the management of business.
5. Direct Economic Value Distributed also includes Community Investments.
6. Operating and General and Administrative Expenses includes operating expenses plus general and administrative expenses less employee wages and benefits, property taxes, and community investments.
7. Payments to Providers of Capital includes distributions to joint venture owners and interest paid to providers of loans.
8. Total Tax Paid consists of property taxes, carbon taxes, and other taxes. PGI does not pay income tax at this time, but is expected to become taxable at some point. Income taxes incurred will be deducted from distributions to owners.
9. Includes PGI corporate employees that provide oversight of PGI's assets, as well as employees and contractors that are contract operating PGI's assets on a day-to-day basis. A large proportion of employees are field-based staff.
10. 2022 metric as at Dec 31, 2022; 2023 metric as at Dec 31, 2023.
11. PGI uses an equity approach to define our organizational boundaries for GHG reporting, and includes all material sources and sinks associated with facilities and operations that are directly owned by PGI. Excludes SEEP asset which was divested from PGI as of Oct 3, 2023.
12. Aligns to TCFD Metrics and Targets Recommended Disclosure (b) and (c).
13. Values reported represent gross emissions emitted to the atmosphere before accounting for offsets, credits, or other similar mechanisms that have reduced or compensated for emissions.
14. 2022 metrics are proforma from the period Jan 1, 2022 to Dec 31, 2022.
15. 2023 metrics are for the period Jan 1, 2023 to Dec 31, 2023.
16. Scope 1 emission sources in the reported data include emissions from stationary combustion equipment, fugitive emissions, as well as flaring, incineration, venting and mobile equipment.
17. Scope 2 emissions are indirect emissions from purchased and imported electricity and heat consumption, calculated using location-based emission factors from the most recent Environment and Climate Change Canada's National Inventory Report (NIR) for Canadian facilities.
18. Includes invoiced amounts from electricity providers.
19. 2022 metrics are proforma from the period Jan 1, 2022 to Dec 31, 2022.
20. 2023 metrics are for the period Jan 1, 2023 to Dec 31, 2023.
21. Defined as renewable electricity consumption divided by total electricity consumption. For the purposes of calculating this metric, electricity sourced in British Columbia is deemed renewable and electricity sourced in Alberta is deemed non-renewable.
22. Defined as renewable electricity consumption divided by total electricity and natural gas energy consumption.
23. Air quality emissions data are calculated based on regulatory requirements and includes emissions at or above regulatory reporting thresholds.
24. 2022 metrics are proforma from the period Jan 1, 2022 to Dec 31, 2022.
25. 2023 metrics are for the period Jan 1, 2023 to Dec 31, 2023.
26. 2022 metrics are from PGI inception to year end 2022 (Aug 15, 2022 to Dec 31, 2022).
27. 2023 metrics are Jan 1, 2023 to Dec 31, 2023.
28. A Fatality is a death resulting from a work-related injury/illness.
29. TRIF is the number of recordable injuries per 200,000 hours of work. In the reporting period, this includes one employee injury and three contractor Lost Time Injuries.
30. A Near Miss is an incident where no loss was sustained, but given a slight shift in position or time, damage, injury, or other loss could have occurred. NMFR is the number of near miss incidents per 200,000 hours of work, tracked as part of our Safety Program. It is an important leading indicator to manage safety incidents.
31. MVI rate is the number of preventable incidents per 1,000,000 kilometres driven.
32. 2022 metrics are from PGI inception to year end 2022 (Aug 15, 2022 to Dec 31, 2022).
33. 2023 metrics are Jan 1, 2023 to Dec 31, 2023.
34. Includes reportable spills and releases of any volume or substance and significant failures from a pipeline. PGI has no assets or operations in the Arctic or Unusually Sensitive Areas, nor any operated transport by rail.
35. A Significant incident is defined as a release of a commodity product from a pipeline that must be reported to an external agency or authority (federal or provincial), and that includes one or more of the following: a serious injury or fatality; an unintentional ignition or fire; a liquid release of greater than 8 m³ (50 bbl); or a rupture or breach of a pipe, tank or containment.
36. Number of Hydrocarbon Spills provides focus on hydrocarbons versus spills of other materials. A spill is defined as reportable, greater than one barrel in volume, includes those that reach the environment (soil or water) and excludes those that were contained within impermeable secondary containment.
37. Waste data are collected for both solid and liquid sources. Liquid waste is converted from cubic metres to metric tonnes at a 1:1 conversion for disposal volumes with unknown densities.
38. For the 2023 reporting year and going forward, produced water to disposal from Dawson area facilities is now classified as Waste and included in the totals shown. In 2022, these volumes were included in Total Water Disposed. No adjustment to 2022 metrics has been made.
39. 2022 metrics are proforma from the period Jan 1, 2022 to Dec 31, 2022.
40. 2023 metrics are for the period Jan 1, 2023 to Dec 31, 2023.
41. 2022 metrics are proforma from the period Jan 1, 2022 to Dec 31, 2022.
42. 2023 metrics are for the period Jan 1, 2023 to Dec 31, 2023.
43. Total Water Withdrawal includes volumes drawn from the environment to support gas processing operations. This excludes produced water volumes which accompany raw gas that is delivered to the inlet of PGI infrastructure by our customers.
44. Water Disposed includes volumes sent from PGI facilities to regulated disposal facilities, deep injection wells, or fracture stimulation operations and includes our customers' produced water that is separated from the raw gas stream. For the 2023 reporting year and going forward, produced water to disposal from Dawson area facilities is now classified as Waste and included in the above table. No adjustment to 2022 metrics has been made.
45. Water Returned to the Environment includes fresh surface water recovered at PGI facilities (for example, in storm ponds), or from construction activities such as pipeline hydrotesting, that has been returned to local watersheds in accordance with regulations.
46. Fresh Water Consumed includes water directly utilized by PGI process equipment (for example, water used for steam generation and process cooling).
47. 2022 metric as at Dec 31, 2022; 2023 metric as at Dec 31, 2023.
48. Total Community Investments includes direct cash investments to support community engagement activities. In 2022, this included activities attributed to Veresen Midstream & PGI during the calendar year. In 2023, only activities attributed to PGI have been included in the value reported.
49. Community investments related to PGI assets directly owned by Pembina, prior to the formation of PGI, are reflected in Pembina's 2022 Sustainability Report.
50. Indigenous Spending accounts for direct and indirect procurement costs with an Indigenous business based on the proportion of ownership. An Indigenous business is majority owned by a participating First Nation, Métis, Inuit Community/Settlement or their members including a strategic partnership, corporation, joint venture, limited partnerships, other entity or a combination of them.
51. Includes amounts spent by PGI's Managing Owner and Operator Pembina; spending by PGI's other contract operators that could be attributed to PGI assets is excluded.

Forward-Looking Statements

Certain information contained in this report may be “forward-looking” in nature and is based on PGI's current expectations, estimates, judgments and projections. All statements, other than statements of historical fact, which address activities, events or developments that PGI expects or anticipates may or will occur in the future, are forward-looking information. Forward-looking information typically contains statements with words such as “may”, “will”, “estimate”, “anticipate”, “believe”, “expect”, “plan”, “intend”, “target”, “project”, “forecast” or similar words suggesting future outcomes or outlook. The forward-looking information contained herein is subject to a number of known and unknown risks and uncertainties which may cause actual results to differ materially from those predicted, forecasted or projected and PGI makes no representation that actual results achieved will be the same in whole or in part as those set out in the forward-looking information contained herein. Furthermore, the forward-looking information contained herein is made as of the date hereof, unless otherwise noted, and PGI does not undertake any obligation to update or to revise any forward-looking information, whether as a result of new information, future events or otherwise. Any forward-looking information contained herein is expressly qualified by this cautionary statement.





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