

UNDERWRITING AGREEMENT

Effective January 12, 2021

PEMBINA PIPELINE CORPORATION

Suite 4000, 585 - 8th Avenue
S.W. Calgary, Alberta T2P 1G1

Dear Sirs:

Re: Offering of Fixed-to-Fixed Rate Subordinated Notes and Preferred Shares of Pembina Pipeline Corporation

RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc. and TD Securities Inc., as Joint Lead Underwriters (as defined herein), National Bank Financial Inc., BMO Nesbitt Burns Inc., Peters & Co. Limited, ATB Capital Markets Inc., J.P. Morgan Securities Canada Inc., MUFG Securities (Canada), Ltd. and Tudor, Pickering, Holt & Co. Securities - Canada, ULC (together, with the Joint Lead Underwriters, the "**Underwriters**") understand that Pembina Pipeline Corporation (the "**Corporation**") proposes to create, issue and sell (the "**Offering**") \$600,000,000 aggregate principal amount of 4.80% Fixed-to-Fixed Rate Subordinated Notes, Series 1 due January 25, 2081 (the "**Notes**"), on the terms set out in Schedule B hereto. The Notes will be issued under an indenture (the "**Indenture**") between the Corporation and Computershare Trust Company of Canada, as trustee (the "**Indenture Trustee**") to be dated as of the Closing Date (as defined herein). The Underwriters also understand that the Corporation intends to create, issue and sell the Series 2021-A Shares (as defined herein) to the Holding Trust Trustee (as defined herein), in its capacity as trustee for the Holding Trust (as defined herein), in connection with the issuance of the Notes.

Based upon the foregoing and subject to the terms, conditions, representations and warranties contained herein, the Underwriters hereby severally, and not jointly (nor jointly and severally), agree to purchase the Notes at a price of 100% of the principal amount of the Notes, being an aggregate purchase price of \$600,000,000, at the Closing Time (as defined herein) in the respective percentages hereinafter set forth, and, by its acceptance hereof, the Corporation hereby agrees to issue and sell to the Underwriters at the Closing Time all, but not less than all, of the Notes on such terms.

For greater certainty, the services provided by the Underwriters for which the Underwriters are to receive the Underwriting Fee (as defined herein) are exempt from the Goods and Services Tax or the Harmonized Sales Tax provided for in the *Excise Tax Act* (Canada) (collectively, the "**GST**") and any taxable supplies provided should be incidental to the exempt financial services provided. In the event that the Canada Revenue Agency assesses or reassesses GST on the Underwriting Fee, the Corporation agrees to pay the amount of GST forthwith upon receipt of an invoice for same from the Underwriters, which shall also contain all prescribed information necessary for the Corporation to support its claims for input tax credits, including, but not limited to, such Underwriter's GST registration number. The Underwriters shall cooperate with the Corporation in filing any objections and/or appeals, at the Corporation's sole discretion and expense, of such an assessment or reassessment, and shall reimburse the Corporation forthwith for any amounts received from the Canada Revenue Agency in respect of same.

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TERMS AND CONDITIONS

The agreement resulting from the acceptance of this offer by the Corporation shall be subject to the following terms and conditions:

1. DEFINITIONS

1.1 In this Agreement (including Schedules A and B attached hereto), the following terms have the meanings indicated:

- (a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;
- (b) "**Administration Agreement**" means the administration agreement between the Corporation and the Holding Trust Trustee to be dated on or before the Closing Date pursuant to which the Holding Trust Trustee will, among other things, delegate to the Corporation certain of its obligations in relation to the administration of the Holding Trust, as may be amended, modified, supplemented or restated;
- (c) "**affiliate**" and "**subsidiary**" shall have the meanings attributed thereto in the *Securities Act* (Alberta);
- (d) "**Agreement**", "**hereto**", "**herein**", "**hereunder**", "**hereof**" and similar expressions mean and refer to the agreement between the Corporation and the Underwriters resulting from the acceptance by the Corporation of the offer made by the Underwriters by this letter and not to any particular paragraph or other part of this Agreement;
- (e) "**Business Day**" means a day on which the TSX is open for trading and banking institutions are open for business in Calgary, Alberta;
- (f) "**Class A Preferred Shares**" means class A preferred shares in the capital of the Corporation, issuable in series;
- (g) "**Class B Preferred Shares**" means class B preferred shares in the capital of the Corporation, issuable in series;
- (h) "**Closing Date**" means January 25, 2021 or such other date not later than January 29, 2021 as the parties hereto may agree to in writing;
- (i) "**Closing Time**" means 6:30 a.m. (Mountain time) on the Closing Date, or such other time on the Closing Date as the parties hereto may agree to in writing;
- (j) "**Common Shares**" means the common shares in the capital of the Corporation;
- (k) "**comparables**" has the meaning ascribed thereto in NI 41-101;
- (l) "**Corporation**" means Pembina Pipeline Corporation, a corporation duly amalgamated under the ABCA;
- (m) "**COVID-19 Outbreak**" means the novel coronavirus disease (COVID-19) outbreak;
- (n) "**DBRS**" means DBRS Morningstar;

- (o) "**Designated Underwriters**" means, collectively, RBC Dominion Securities Inc. and CIBC World Markets Inc., as managers of the Underwriters for the purposes of the definition of "lead underwriter" under NI 41-101;
- (p) "**distribution**" means "**distribution**" or "**distribution to the public**", which terms have the meanings attributed thereto under applicable Securities Laws;
- (q) "**Documents**" means, collectively:
 - (i) the annual information form of the Corporation dated February 27, 2020 for the year ended December 31, 2019;
 - (ii) the audited consolidated statement of financial position of the Corporation as at December 31, 2019 and December 31, 2018 and the consolidated statements of earnings and comprehensive income, changes in equity and cash flows of the Corporation for the years then ended, together with the notes thereto and the auditors' report thereon;
 - (iii) management's discussion and analysis of the financial condition and results of operations of the Corporation for the year ended December 31, 2019;
 - (iv) the unaudited condensed consolidated interim financial statements of the Corporation for the three-month and nine-month periods ended September 30, 2020, together with the notes thereto;
 - (v) management's discussion and analysis of financial condition and results of operations of the Corporation for the three-month and nine-month periods ended September 30, 2020;
 - (vi) the management information circular of the Corporation dated March 19, 2020 relating to the annual meeting of shareholders held on May 8, 2020; and
 - (vii) the "template version" (as such term is defined in NI 41-101) of the term sheets for the Offering dated January 12, 2021 and filed on SEDAR as contemplated by Section 2.7, and any amendments thereto.
- (r) "**Final Base Shelf Prospectus**" means the final short form base shelf prospectus of the Corporation dated December 30, 2020 including for greater certainty the documents incorporated by reference therein;
- (s) "**GST**" has the meaning ascribed to such term in the third paragraph of this Agreement;
- (t) "**Holding Trust**" has the meaning ascribed to such term in Schedule B hereto;
- (u) "**Holding Trust Declaration of Trust**" means the declaration of trust between the Corporation, as settlor, and the Holding Trust Trustee, as trustee, to be dated on or before the Closing Date establishing the Holding Trust, as may be amended, modified, supplemented or restated;
- (v) "**Holding Trust Trustee**" has the meaning ascribed to such term in Schedule B hereto;

- (w) "**Indemnity Agreement**" means the indemnity agreement between the Corporation and the Holding Trust Trustee to be dated on or before the Closing Date pursuant to which the Corporation will indemnify the Holding Trust Trustee against certain claims, liabilities, losses and damages suffered by the Holding Trust Trustee in connection with acting as trustee for the Holding Trust, as may be amended, modified, supplemented or restated;
- (x) "**Indenture**" has the meaning ascribed to such term in the first paragraph of this Agreement;
- (y) "**Indenture Trustee**" has the meaning ascribed to such term in the first paragraph of this Agreement;
- (z) "**Joint Lead Underwriters**" means, collectively, RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc. and TD Securities Inc.;
- (aa) "**limited-use version**" has the meaning ascribed thereto under NI 41-101;
- (bb) "**Marketing Documents**" means, collectively, all (i) standard term sheets, and (ii) marketing materials (including any template version, revised template version or limited-use version thereof), in both the English and French languages, as applicable, and in either case provided to a potential investor in connection with the distribution of the Notes;
- (cc) "**marketing materials**" has the meaning ascribed thereto under NI 41-101;
- (dd) "**material change**", "**material fact**" and "**misrepresentation**" have the meanings attributed thereto under applicable Securities Laws;
- (ee) "**MI 11-102**" means Multilateral Instrument 11-102 – *Passport System* of the Canadian Securities Administrators other than the Ontario Securities Commission, as amended or replaced;
- (ff) "**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators, as amended or replaced;
- (gg) "**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators, as amended or replaced;
- (hh) "**NI 44-102**" means National Instrument 44-102 – *Shelf Distributions* of the Canadian Securities Administrators, as amended or replaced;
- (ii) "**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* of the Canadian Securities Administrators, as amended or replaced;
- (jj) "**Notes**" has the meaning ascribed to such term in the first paragraph of this Agreement;
- (kk) "**NYSE**" means the New York Stock Exchange;
- (ll) "**Offering**" has the meaning ascribed to such term in the first paragraph of this Agreement;

- (mm) "**Option Plan**" means the stock option plan of the Corporation approved by the shareholders on May 26, 2011, as amended effective November 30, 2016 and as further amended effective February 26, 2020;
- (nn) "**Preliminary Base Shelf Prospectus**" means the preliminary short form base shelf prospectus of the Corporation dated December 22, 2020, including for greater certainty the documents incorporated by reference therein;
- (oo) "**Principal Subsidiaries**" means Pembina Pipeline (an Alberta partnership), Pembina Gas Services Limited Partnership, Pembina Oil Sands Pipeline L.P., Pembina Midstream Limited Partnership, Pembina Infrastructure and Logistics LP, Pembina Holding Canada L.P., Pembina Empress NGL Partnership, PKM Canada Limited, Ruby Blocker LLC and Pembina Cochin LLC;
- (pp) "**Prospectus**" means, collectively, the Supplemented Shelf Prospectus and any Prospectus Amendment;
- (qq) "**Prospectus Amendment**" means any amendment to the Final Base Shelf Prospectus or the Prospectus Supplement, including for greater certainty the documents incorporated by reference therein;
- (rr) "**Prospectus Review Procedures**" means the procedures for prospectus review in multiple jurisdictions provided for under National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* of the Securities Commissions and MI 11-102;
- (ss) "**Prospectus Supplement**" means the shelf prospectus supplement of the Corporation dated January 12, 2021 to the Final Base Shelf Prospectus relating to the distribution of the Securities, including for greater certainty the documents incorporated by reference in such shelf prospectus supplement and which shall include any template version of marketing materials included in or incorporated by reference therein;
- (tt) "**provide**" in the context of sending or making available Marketing Documents to a potential investor of Notes has the meaning ascribed thereto under applicable Securities Laws, whether in the context of a "road show" (as defined in NI 41-101) or otherwise;
- (uu) "**Provinces**" means all of the provinces of Canada;
- (vv) "**Public Record**" means all information filed after December 31, 2019 by or on behalf of the Corporation with the Securities Commissions, including, without limitation, the Documents, the Prospectus and any other information filed with any Securities Commission in compliance, or intended compliance with any applicable Securities Laws;
- (ww) "**S&P**" means S&P Global Ratings;
- (xx) "**SEC**" means the United States Securities and Exchange Commission;
- (yy) "**Securities**" means, collectively, the Notes and the Series 2021-A Shares;
- (zz) "**Securities Commissions**" means the securities commissions or other securities regulatory authorities in the Provinces;

- (aaa) "**Securities Laws**" means the securities acts or similar statutes of the Provinces and all regulations, rules, instruments, policy statements, notices and blanket orders or rulings thereunder;
- (bbb) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;
- (ccc) "**Selling Dealer Group**" means the dealers and brokers, other than the Underwriters, who participate in the offer and sale of the Notes pursuant to this Agreement;
- (ddd) "**Selling Firms**" means (as defined in Section 5.1) the dealers and brokers, including the Underwriters, who participate in the offer and sale of the Notes pursuant to this Agreement;
- (eee) "**Series 1 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 1 in the capital of the Corporation, issued July 26, 2013;
- (fff) "**Series 2 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 2 in the capital of the Corporation;
- (ggg) "**Series 3 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 3 in the capital of the Corporation, issued October 2, 2013;
- (hhh) "**Series 4 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 4 in the capital of the Corporation;
- (iii) "**Series 5 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 5 in the capital of the Corporation, issued January 16, 2014;
- (jjj) "**Series 6 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 6 in the capital of the Corporation;
- (kkk) "**Series 7 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 7 in the capital of the Corporation, issued September 11, 2014;
- (lll) "**Series 8 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 8 in the capital of the Corporation;
- (mmm) "**Series 9 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 9 in the capital of the Corporation, issued April 10, 2015;
- (nnn) "**Series 10 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 10 in the capital of the Corporation;
- (ooo) "**Series 11 Shares**" means the cumulative redeemable minimum rate reset Class A Preferred Shares, Series 11 in the capital of the Corporation, issued January 15, 2016;
- (ppp) "**Series 12 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 12 in the capital of the Corporation;
- (qqq) "**Series 13 Shares**" means the cumulative redeemable minimum rate reset Class A Preferred Shares, Series 13 in the capital of the Corporation, issued April 27, 2016;

- (rrr) "**Series 14 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 14 in the capital of the Corporation;
- (sss) "**Series 15 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 15 in the capital of the Corporation, issued October 2, 2017;
- (ttt) "**Series 16 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 16 in the capital of the Corporation;
- (uuu) "**Series 17 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 17 in the capital of the Corporation, issued October 2, 2017;
- (vvv) "**Series 18 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 18 in the capital of the Corporation;
- (www) "**Series 19 Shares**" means the cumulative redeemable rate reset Class A Preferred Shares, Series 19 in the capital of the Corporation, issued October 2, 2017;
- (xxx) "**Series 20 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 20 in the capital of the Corporation;
- (yyy) "**Series 21 Shares**" means the cumulative redeemable minimum rate reset Class A Preferred Shares, Series 21 in the capital of the Corporation issued December 7, 2017;
- (zzz) "**Series 22 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 22 in the capital of the Corporation;
- (aaaa) "**Series 23 Shares**" means the cumulative redeemable minimum rate reset Class A Preferred Shares, Series 23 in the capital of the Corporation, issued December 16, 2019;
- (bbbb) "**Series 24 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 24 in the capital of the Corporation;
- (cccc) "**Series 25 Shares**" means the cumulative redeemable minimum rate reset Class A Preferred Shares, Series 25 in the capital of the Corporation, issued December 16, 2019;
- (dddd) "**Series 26 Shares**" means the cumulative redeemable floating rate Class A Preferred Shares, Series 26 in the capital of the Corporation;
- (eeee) "**Series 2021-A Shares**" means the cumulative redeemable fixed-to-fixed rate Class A Preferred Shares, Series 2021-A in the capital of the Corporation on the terms set out in Schedule B hereto to be issued to the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, in connection with the Offering;
- (ffff) "**Shareholder Rights Plan**" means the shareholder rights plan of the Corporation as reconfirmed at the Corporation's 2019 meeting of shareholders;
- (gggg) "**Supplementary Material**" means, collectively, any amendment to the Prospectus, any amended or supplemented Prospectus and any document which may be filed by or on behalf of the Corporation under applicable Securities Laws, and incorporated by reference in, the Prospectus;

- (hhhh) "**Supplemented Shelf Prospectus**" means, together, the Final Base Shelf Prospectus and the Prospectus Supplement;
- (iii) "**Tax Act**" means the *Income Tax Act* (Canada), as amended, and the regulations promulgated thereunder;
- (jjj) "**template version**" has the meaning ascribed thereto under NI 41-101 and includes any revised template version of marketing materials as contemplated by such instrument;
- (kkkk) "**TSX**" means the Toronto Stock Exchange;
- (lll) "**Underwriters**" means, collectively, RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., Peters & Co. Limited, ATB Capital Markets Inc., J.P. Morgan Securities Canada Inc., MUFG Securities (Canada), Ltd. and Tudor, Pickering, Holt & Co. Securities - Canada, ULC;
- (mmmm) "**Underwriting Fee**" means \$7.50 (0.75%) per \$1,000 of principal amount of Notes purchased by the Underwriters from the Corporation. The Designated Underwriters shall receive 10% of the total Underwriting Fee as a "step up" fee, of which 55% will be distributed to RBC Dominion Securities Inc. and the remaining 45% will be distributed to CIBC World Markets Inc., with the remaining 90% of the total Underwriting Fee to then be distributed among the Underwriters in accordance with their allocations in Section 13.1;
- (nnnn) "**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;
- (oooo) "**U.S. Exchange Act**" means the United States *Securities Exchange Act of 1934*, as amended;
- (pppp) "**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended; and
- (qqqq) "**U.S. Securities Laws**" means the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations of the SEC thereunder, together with the applicable blue-sky or securities legislation in the states of the United States.
- 1.2 Unless otherwise stated, any reference in this Agreement to any section, paragraph or subparagraph shall refer to a section, paragraph or subparagraph of this Agreement.
- 1.3 Words importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders.
- 1.4 When used in this Agreement, "knowledge" means actual knowledge of the senior officers of the Corporation without special enquiry beyond the scope of their duties as officers.
- 2. COMPLIANCE WITH SECURITIES LAWS**
- 2.1 The Corporation agrees to allow the Underwriters, prior to the filing of the Prospectus Supplement, to participate fully in the preparation of the Prospectus Supplement and such other documents as may be required under applicable Securities Laws to qualify the distribution of the Securities in the Provinces and to allow the Underwriters and their counsel to conduct all due diligence which the

Underwriters may reasonably require (including with respect to the documents incorporated therein by reference) in order to:

- (a) confirm the Prospectus and the Public Record as accurate and current in all material respects;
 - (b) fulfill the Underwriters' obligations as agents and underwriters; and
 - (c) enable the Underwriters to responsibly execute the certificate in the Prospectus Supplement required to be executed by the Underwriters.
- 2.2 The Corporation represents and warrants to the Underwriters that the Corporation is qualified under NI 44-101 to file a prospectus in the form of a short form prospectus, and is qualified under NI 44-102 to file a short form prospectus that is a base shelf prospectus.
- 2.3 The Corporation represents and warrants to the Underwriters that the Corporation has prepared and filed the Preliminary Base Shelf Prospectus with the Securities Commissions and has obtained a receipt from the Alberta Securities Commission for the Preliminary Base Shelf Prospectus, which receipt also evidences that the Ontario Securities Commission has issued a receipt for the Preliminary Base Shelf Prospectus. Pursuant to MI 11-102, a receipt for the Preliminary Base Shelf Prospectus is deemed to be issued by the regulator in each of the Provinces other than the Province of Ontario if the conditions of MI 11-102 have been satisfied.
- 2.4 The Corporation represents and warrants to the Underwriters that the Corporation has prepared and filed the Final Base Shelf Prospectus with the Securities Commissions and has obtained a receipt from the Alberta Securities Commission for the Final Base Shelf Prospectus, which receipt also evidences that the Ontario Securities Commission has issued a receipt for the Final Base Shelf Prospectus. Pursuant to MI 11-102, a receipt for the Final Base Shelf Prospectus is deemed to be issued by the regulator in each of the Provinces other than the Province of Ontario if the conditions of MI 11-102 have been satisfied.
- 2.5 The Corporation covenants with the Underwriters that it shall have, by no later than 8:00 p.m. (Mountain time) on January 12, 2021, prepared and filed the Prospectus Supplement with the Securities Commissions, and will promptly fulfill and comply with, to the satisfaction of the Underwriters, acting reasonably, Securities Laws required to be fulfilled or complied with by the Corporation to enable the Securities to be lawfully distributed to the public in the Provinces through the Underwriters or any other person duly registered in an appropriate category of registration in the Provinces.
- 2.6 Until the distribution of the Securities shall have been completed, the Corporation shall promptly take or cause to be taken all additional steps and proceedings that from time to time may be required under the Securities Laws to continue to qualify the Securities for distribution in each Province or, in the event that the Securities have, for any reason, ceased to so qualify, to again qualify the Securities for distribution.
- 2.7 During the distribution of the Securities:
- (a) the Corporation shall prepare, in consultation with the Designated Underwriters, and approve in writing, prior to such time any marketing materials are provided to potential investors in Notes, a template version of any marketing materials reasonably requested to be provided by the Underwriters to any such potential investor, such marketing materials

to comply with Securities Laws and to be acceptable in form and substance to the Underwriters and their counsel, acting reasonably;

- (b) the Designated Underwriters shall, on behalf of the Underwriters, approve a template version of any such marketing materials in writing prior to such time such marketing materials are provided to potential investors in Notes;
- (c) the Corporation shall file a template version of the English language version of any such marketing materials on SEDAR as soon as reasonably practical after such marketing materials are so approved in writing by the Corporation and the Designated Underwriters, on behalf of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor in Notes, and any comparables shall be removed from the template version in accordance with NI 44-102 prior to filing such on SEDAR (provided that if any such comparables are removed, the Corporation shall deliver a complete template version of any such marketing materials to the Securities Commissions), and the Corporation shall provide a copy of such filed template version to the Underwriters as soon as practicable following such filing. The French language version of any such marketing materials shall be SEDAR filed prior to or concurrently with the filing of the Prospectus Supplement as contemplated herein and a copy thereof shall be delivered to the Underwriters as soon as practicable following such filing; and
- (d) following the approvals set forth in Section 2.7(a) to (c), the Underwriters may provide a limited-use version of such marketing materials to potential investors in Notes in accordance with Securities Laws.

2.8 The Corporation and each Underwriter, on a several basis, covenants and agrees not to provide any potential investor in Notes with any marketing materials except for marketing materials which have been approved as contemplated in Section 2.7.

3. DELIVERY OF PROSPECTUS SUPPLEMENT AND RELATED DOCUMENTS

3.1 The Corporation shall deliver or cause to be delivered to the Underwriters and the Underwriters' counsel the documents set out below at the respective times indicated:

- (a) prior to or contemporaneously, as nearly as practicable, with the filing with the Securities Commissions of the Prospectus Supplement:
 - (i) copies of the Supplemented Shelf Prospectus, in each of the English and French languages, signed as required by applicable Securities Laws of the Provinces; and
 - (ii) copies of any documents or information incorporated by reference therein which have not previously been delivered to the Underwriters and that are not available on SEDAR;
- (b) as soon as they are available, copies of the English and French language versions, as applicable, of any Supplementary Material required to be filed under applicable Securities Laws, signed as required by applicable Securities Laws and including, in each case, copies of any documents or information incorporated by reference therein which have not been previously delivered to the Underwriters;

- (c) at the time of delivery to the Underwriters of the French language version of the Prospectus Supplement:
 - (i) an opinion of Québec counsel, addressed to the Corporation, the Underwriters and their respective counsel and dated the date of the Prospectus Supplement, to the effect that the French language version of the Supplemented Shelf Prospectus (except for the financial statements and other financial information included or incorporated by reference therein which are the subject of the opinion of the Corporation's auditors referred to below, as to which no opinion need be expressed by Québec counsel) is in all material respects a complete and proper translation of the English language version thereof; and
 - (ii) an opinion of the Corporation's auditors, addressed to the Corporation, the Underwriters and their respective counsel and dated the date of the Prospectus Supplement, to the effect that the French language version of the financial statements and other financial information set forth or incorporated by reference in the Supplemented Shelf Prospectus is in all material respects a complete and proper translation of the English language version thereof;
- (d) prior to the filing of the Prospectus Supplement with the Securities Commissions, a "comfort letter" from the Corporation's auditors, addressed to the Corporation, the board of directors of the Corporation and the Underwriters and dated the date of the Prospectus Supplement, satisfactory in form and substance to the Underwriters, acting reasonably, with respect to the financial and accounting information in respect of the Corporation contained in or incorporated by reference into the Supplemented Shelf Prospectus, which comfort letter shall be based on a review by the auditors having a cut-off date of not more than two Business Days prior to the date of the Prospectus Supplement and shall be in addition to any comfort letters which must be filed with Securities Commissions pursuant to applicable Securities Laws;
- (e) prior to the filing of the Prospectus Supplement with the Securities Commissions, letters from each of S&P and DBRS confirming that the Notes are provisionally rated BB+ by S&P and BB (High) with a stable trend by DBRS; and
- (f) Opinions or comfort letters similar to those delivered pursuant to paragraphs 3.1(c) and 3.1(d) shall be provided to the Underwriters with respect to any marketing materials filed pursuant to Section 2.7 and Supplementary Material and any other relevant document that may be translated into the French language at the time the same is presented to the Underwriters for their signature or, if the Underwriters' signature is not required, at the time the same is filed. All such opinions or comfort letters shall be in form and substance satisfactory to the Underwriters and their counsel, acting reasonably.

3.2 The delivery to the Underwriters of the Prospectus Supplement and any Supplementary Material shall constitute, on the part of the Corporation:

- (a) a representation and warranty to the Underwriters that, at the time of delivery of the applicable document (except any information or statement therein relating solely to the Underwriters which has been provided by the Underwriters in writing expressly for inclusion in the applicable document), such document does not contain any misrepresentations and constitutes full, true and plain disclosure of all material facts relating to the Corporation and the Securities and that the applicable document complies in

all material respects with the requirements of applicable Securities Laws, including, without limitation, NI 44-101 and NI 44-102; and

- (b) a representation and warranty to the Underwriters that, except as has been publicly disclosed, there has been no intervening material change (actual, proposed or, to their knowledge, threatened, whether financial or otherwise) in the affairs, operations, assets, liabilities (contingent or otherwise) or ownership of the Corporation since the date of the applicable document.

Delivery to the Underwriters of the documents referred to in this Section 3.2 shall constitute the consent of the Corporation to the use by the Underwriters and other members of the Selling Dealer Group of the Prospectus and any Supplementary Material, as the case may be, in connection with the distribution of the Notes in compliance with this Agreement.

4. COMMERCIAL COPIES OF PROSPECTUS SUPPLEMENT

- 4.1 If requested by the Underwriters, the Corporation shall, as soon as possible but in any event not later than noon (local time at the place of delivery) in Vancouver, Calgary, Toronto and Montreal, and 4:00 p.m. (local time at the place of delivery) in all other cities on the Business Day following the date of such request by the Underwriters, cause to be delivered to the Underwriters, without charge, commercial copies of the Supplemented Shelf Prospectus and any such Supplementary Material (if required by the Underwriters) in such numbers and in such cities in Canada as the Underwriters may reasonably request by oral or written instructions to the Corporation or the printer thereof given no later than the time when the Corporation authorizes the printing of the commercial copies of such documents.
- 4.2 The Corporation shall cause to be provided to the Underwriters such number of copies of any documents incorporated by reference in the Prospectus or any Supplementary Material as the Underwriters may reasonably request.

5. DISTRIBUTION OF NOTES

- 5.1 The Underwriters shall offer the Notes for sale to the public, directly and through other investment dealers and brokers (the Underwriters together with such other investment dealers and brokers are referred to herein as the "**Selling Firms**"), in compliance with applicable Securities Laws and upon the terms and conditions set forth in the Prospectus, any Supplementary Material and this Agreement. The Underwriters shall be entitled to assume that the Notes are qualified for distribution in any Province named in the final decision document issued by the Alberta Securities Commission pursuant to the Prospectus Review Procedures with respect to the filing of the Final Base Shelf Prospectus unless the Underwriters receive notice to the contrary from the Corporation or applicable Securities Commission. Notwithstanding the foregoing, an Underwriter will not be liable to the Corporation under this Section 5.1 with respect to a default by another Selling Firm under this Section 5.1 if the Underwriter is not also in default.
- 5.2 Subject to applicable laws and without affecting the firm obligation of the Underwriters to purchase the Notes from the Corporation at a price of 100% of the principal amount of the Notes in accordance with this Agreement, after the Underwriters have made reasonable efforts to sell all of the Notes offered hereby at the price specified herein, the offering price to the public for such Notes may be decreased and further changed from time to time to an amount not greater than the offering price for such Notes specified herein. Such decrease in the offering price to the public will not affect the amount of the proceeds of the offering of the Notes to the Corporation or the amount of

the Underwriting Fee payable pursuant to this Agreement. The Underwriters will promptly inform the Corporation in writing if the offering price of the Notes to the public is decreased.

- 5.3 In connection with the distribution of the Notes, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Notes at levels other than those that might otherwise prevail in the open market, as permitted by applicable Securities Laws. Such transactions, if commenced, may be discontinued at any time.
- 5.4 The Underwriters shall use all reasonable efforts to complete and to cause the Selling Firms to complete the distribution of the Notes as soon as possible, and, in any event, within 30 days, after the Closing Time. The Designated Underwriters will notify the Corporation when, in their opinion, the Underwriters have ceased distribution of the Notes and shall, as soon as practicable, provide the Corporation with a breakdown of the number of Notes distributed in each of the Provinces where such breakdown is required for the purpose of calculating fees payable to Securities Commissions.
- 5.5 The Underwriters will not solicit offers to purchase or sell the Notes so as to require registration of the Notes or the filing of a prospectus, registration statement or other notice or document with respect to the distribution of the Notes under the laws of any jurisdiction other than the Provinces, and will require each other Selling Firm to agree with the Underwriters not to so solicit or sell. In particular, the Underwriters acknowledge that the Notes have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States.
- 5.6 The obligations of the Underwriters under this Agreement are several and not joint or joint and several. No Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by any other Underwriter.

6. MATERIAL CHANGES

- 6.1 During the period from the date hereof until completion of the distribution of the Notes, the Corporation shall promptly notify the Underwriters, in writing, with full particulars, of:
- (a) any change, occurrence or development (actual, anticipated, contemplated or threatened (of which it is aware), whether financial or otherwise) in the business, financial condition, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation or any of its subsidiaries;
 - (b) any change in any matter referred to in a statement (other than a statement relating only to one or more of the Underwriters) contained in the Prospectus or any Supplementary Material; and
 - (c) any other fact, event or circumstance in respect of the Corporation or any of its subsidiaries;
- which is, or may be, of such a nature as to render any statement in the Prospectus or any Supplementary Material misleading or untrue or which would result in any of such documents containing a misrepresentation or which would result in any of such documents not complying with any of the Securities Laws and/or U.S. Securities Laws, as may be applicable, or which would reasonably be expected to have a significant effect on the market price or value of the Notes.
- 6.2 The Corporation shall in good faith discuss with the Designated Underwriters any change, fact, event or circumstance (actual, anticipated, contemplated or threatened) which is of such a nature

that there is reasonable doubt whether notice need be given to the Underwriters pursuant to Section 6.1, as soon as practicable and, in any event, prior to making any filing referred to in Section 6.3.

- 6.3 The Corporation shall promptly comply with all applicable filing and other requirements under applicable Securities Laws and the rules and by-laws of the TSX and NYSE and, if applicable, U.S. Securities Laws arising as a result of any change, fact, event or circumstance referred to in Section 6.1 and shall prepare and file under all applicable Securities Laws and U.S. Securities Laws, as soon as commercially practicable, and in any event within any time limit prescribed under applicable Securities Laws and U.S. Securities Laws, as applicable, any Supplementary Material as may be required under applicable Securities Laws and U.S. Securities Laws; provided that the Corporation shall allow the Underwriters and their counsel to participate fully in the preparation of any Supplementary Material, and to conduct all due diligence investigations which the Underwriters may reasonably require in order to fulfil their obligations as underwriters and in order to enable the Underwriters responsibly to execute the certificate required to be executed by them in any Supplementary Material and the Underwriters and their counsel shall have approved the form of any Supplementary Material, such approval not to be unreasonably withheld and to be provided in a timely manner. The Corporation shall promptly deliver or cause to be delivered to each of the Underwriters and the Underwriters' counsel a copy of each Supplementary Material signed as required by applicable Securities Laws by all parties other than the Underwriters, as well as opinions and letters with respect to each such Supplementary Material to the same effect as those referred to in Section 3.1 and dated the date of such Supplementary Material.
- 6.4 The delivery to the Underwriters of Supplementary Material shall constitute a representation and warranty to the Underwriters by the Corporation with respect to the Prospectus, as amended, modified or superseded by such Supplementary Material and by each Supplementary Material previously delivered to the Underwriters as aforesaid, to the same effect as set forth in Section 3.2. Such delivery shall also constitute the consent of the Corporation to the use of the Prospectus, as so amended, by the Selling Firms in connection with the distribution of the Notes in the Provinces.

7. REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

- 7.1 The Corporation represents and warrants to the Underwriters as follows and acknowledges that the Underwriters are relying upon the following representations and warranties in entering into this Agreement and purchasing the Notes:
- (a) the Corporation has been duly amalgamated and is a valid and subsisting corporation under the laws of Alberta and has all requisite power, authority and capacity to carry on its business as described in the Prospectus and any Supplementary Material, to own, lease and operate its properties and assets as described in the Prospectus and any Supplementary Material, to enter into this Agreement, the Notes, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement and to perform its obligations hereunder and thereunder;
 - (b) at the Closing Time: (i) the Holding Trust will be a valid and subsisting trust under the laws of Alberta; and (ii) the Holding Trust will have no assets or liabilities, whether known, unknown, due, to become due, direct, indirect or absolute, contingent or otherwise other than the sum of \$1,000 to settle the Holding Trust and the Series 2021-A Shares;
 - (c) the Corporation has no material subsidiaries other than the Principal Subsidiaries, and each of the Principal Subsidiaries has been duly incorporated, formed or organized, as

applicable, and is a valid and subsisting corporation (in the case of PKM Canada Limited, Ruby Blocker LLC and Pembina Cochin LLC), general partnership (in the case of the Pembina Pipeline partnership and the Pembina Empress NGL Partnership), or limited partnership (in the case of the Pembina Gas Services Limited Partnership, the Pembina Oil Sands Pipeline L.P., the Pembina Midstream Limited Partnership, the Pembina Infrastructure and Logistics LP and the Pembina Holding Canada L.P.) in good standing under the laws of the jurisdiction in which it was incorporated, formed or organized, and has all requisite power, authority and capacity to carry on its business and to own, lease and operate its properties and assets;

- (d) all of the ownership interests in the Principal Subsidiaries and the Corporation's other subsidiaries are directly or indirectly, legally and beneficially owned by the Corporation, in each case, and the Corporation's beneficial interest in the Holding Trust will be, free and clear of any liens, pledges, charges, encumbrances, security interests or other adverse claims whatsoever (except for certain security granted by subsidiaries of the Corporation in favour of its lenders);
- (e) the Corporation has duly authorized, executed and delivered this Agreement and, at or prior to the Closing Time, will execute and deliver the Notes, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement, and this Agreement constitutes, and at the Closing Time, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement will constitute, a legal, valid and binding obligation of the Corporation enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally, and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law; and no registration, filing or recording of the Indenture under the laws of Canada or any province thereof is necessary in order to preserve or protect the validity or enforceability of the Indenture or the Notes to be issued thereunder;
- (f) when the Notes are issued and delivered pursuant to this Agreement, such Notes will have been duly executed, authenticated, issued and delivered and, upon receipt of the full consideration therefor, will constitute legal, valid and binding obligations of the Corporation entitled to the benefits of the Indenture;
- (g) the Series 2021-A Shares will be duly and validly authorized, allotted and reserved for issuance and, upon receipt of the purchase price for the Series 2021-A Shares on or before the Closing Date will be duly and validly issued as fully paid and non-assessable Series 2021-A Shares;
- (h) the Corporation has the necessary power and authority to execute and deliver the Final Base Shelf Prospectus and all requisite action has been taken by the Corporation to authorize the execution and delivery of the Final Base Shelf Prospectus and the delivery of the Prospectus Supplement, any Marketing Documents and all ancillary documentation and the filing thereof, as the case may be, in each of the Provinces;
- (i) the Corporation has full corporate power and authority to create and issue the Securities;

- (j) the Corporation (either directly or through its subsidiaries): (i) holds all material licences, registrations, qualifications, permits and consents necessary or appropriate for owning and operating its assets and otherwise carrying on its business as now conducted; and (ii) is conducting its business in all material respects in compliance with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on;
- (k) the authorized capital of the Corporation consists of: (i) an unlimited number of Common Shares; (ii) Class A Preferred Shares issuable in series and limited in number to a maximum of 254,850,850 Class A Preferred Shares; and (iii) an unlimited number of Class B Preferred Shares, each having the rights, privileges, restrictions and conditions set forth in the articles of amalgamation of the Corporation dated October 2, 2017, as amended by articles of amendment dated December 1, 2017, June 25, 2019 and December 16, 2019;
- (l) the issued and outstanding capital of the Corporation at the date of this Agreement consists of 549,941,905 Common Shares, 10,000,000 Series 1 Shares, 6,000,000 Series 3 Shares, 10,000,000 Series 5 Shares, 10,000,000 Series 7 Shares, 9,000,000 Series 9 Shares, 6,800,000 Series 11 Shares, 10,000,000 Series 13 Shares, 8,000,000 Series 15 Shares, 6,000,000 Series 17 Shares, 8,000,000 Series 19 Shares, 16,000,000 Series 21 Shares, 12,000,000 Series 23 Shares and 10,000,000 Series 25 Shares, all of which shares are validly issued as fully paid and non-assessable shares;
- (m) no person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase of any unissued securities of the Corporation, other than as listed below as at the date of this Agreement: (i) the Notes issuable pursuant to this Agreement and the Series 2021-A Shares issuable in connection therewith; (ii) 21,774,735 Common Shares issuable pursuant to the exercise of options issued pursuant to the Option Plan; (iii) Common Shares issuable pursuant to the Shareholder Rights Plan; (iv) the Series 2 Shares issuable on conversion of the Series 1 Shares; (v) the Series 4 Shares issuable on conversion of the Series 3 Shares; (vi) the Series 6 Shares issuable on conversion of the Series 5 Shares; (vii) the Series 8 Shares issuable on conversion of the Series 7 Shares; (viii) the Series 10 Shares issuable on conversion of the Series 9 Shares; (ix) the Series 12 Shares issuable on conversion of the Series 11 Shares; (x) the Series 14 Shares issuable on conversion of the Series 13 Shares; (xi) the Series 16 Shares issuable on conversion of the Series 15 Shares; (xii) the Series 18 Shares issuable on conversion of the Series 17 Shares; (xiii) the Series 20 Shares issuable on conversion of the Series 19 Shares; (xiv) the Series 22 Shares issuable on conversion of the Series 21 Shares; (xv) the Series 24 Shares issuable on conversion of the Series 23 Shares; and (xvi) the Series 26 Shares issuable on conversion of the Series 25 Shares;
- (n) at the Closing Time, not more than 600,000 Series 2021-A Shares, having the material attributes described in and contemplated by Schedule B hereto, will have been duly created as a series of Class A Preferred Shares and no Class A Preferred Shares will be issued and outstanding other than 10,000,000 Series 1 Shares, 6,000,000 Series 3 Shares, 10,000,000 Series 5 Shares, 10,000,000 Series 7 Shares, 9,000,000 Series 9 Shares, 6,800,000 Series 11 Shares, 10,000,000 Series 13 Shares, 8,000,000 Series 15 Shares, 6,000,000 Series 17 Shares, 8,000,000 Series 19 Shares, 16,000,000 Series 21 Shares, 12,000,000 Series 23 Shares, 10,000,000 Series 25 Shares and the Series 2021-A Shares to be issued hereunder;
- (o) on or before the Closing Time the form of share certificate for the Series 2021-A Shares will have been approved by the board of directors of the Corporation and, at the Closing

Time, will comply with all legal and stock exchange requirements and the Corporation's constating documents;

- (p) the Corporation shall elect, in the manner and within the time provided under subsection 191.2(1) of Part VI.I of the Tax Act, to pay tax at a rate, and take all other action necessary under the Tax Act, such that no holder of Series 2021-A Shares shall be required to pay tax on dividends received (or deemed to be received) on the Series 2021-A Shares under section 187.2 of Part IV.1 of the Tax Act;
- (q) other than pursuant to the credit facilities of the Corporation and its subsidiaries, as disclosed in the Prospectus and any Supplementary Material and subject to applicable laws, none of the Corporation or any of its subsidiaries is currently prohibited, directly or indirectly, from paying dividends, from making distributions on its capital stock and other securities, or from paying interest or repaying any loans, notes, advances or other indebtedness of the Corporation or any of its subsidiaries;
- (r) the material attributes of the Securities, the Indenture, the Holding Trust, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement will conform to the description thereof in the Prospectus Supplement;
- (s) at the Closing Time, Computershare Trust Company of Canada will be the duly appointed registrar and transfer agent of the Series 2021-A Shares, at its principal offices in Calgary and Toronto;
- (t) at the Closing Time, the Indenture Trustee will be the duly appointed trustee, registrar and transfer agent of the Notes, at its principal offices in Calgary and Toronto;
- (u) the Corporation is a "reporting issuer" (or the equivalent) in each of the Provinces and is not in material default under applicable Securities Laws in such Provinces, the Corporation is not included on the list of defaulting issuers maintained by the applicable Securities Commissions and the Corporation is subject to the requirements of Section 12 or 15(d) of the U.S. Exchange Act and has filed all the material required to be filed pursuant to Sections 13, 14 or 15(d) of the U.S. Exchange Act;
- (v) the minute books of the Corporation, the Principal Subsidiaries and the Corporation's other subsidiaries made available to the Underwriters, or their counsel, in connection with their due diligence investigations for the periods from their respective dates of creation, incorporation, amalgamation or formation, as the case may be, to the date of examination thereof contain copies of all material minutes of meetings and all resolutions of the shareholders, partners, management committees or other governing bodies, the board of directors and all committees of the board of directors of such entities and there have been no other material meetings, resolutions or proceedings of the partners, shareholders, board of directors, any committee of the board of directors or any management committee or other governing body to the date of review of such minute books not reflected therein other than those relating to the Offering;
- (w) the financial information contained or incorporated by reference in the Prospectus and any Supplementary Material is complete and correct in all material respects, has been prepared in accordance with International Financial Reporting Standards consistently applied, and presents fairly the financial position and results of the Corporation (on a consolidated basis), as the case may be, as at the date and for the periods stated therein;

- (x) except as disclosed in the Prospectus and any Supplementary Material, as the case may be, subsequent to December 31, 2019: (i) there has not been any material change (financial or otherwise) in the business, financial condition, affairs, operations, assets, liabilities (absolute, accrued, contingent or otherwise), capital or prospects of the Corporation and its subsidiaries (taken as a whole); (ii) to its knowledge, no event has occurred or circumstance exists which could reasonably be expected to result in such a material change; and (iii) the Corporation and its subsidiaries have carried on business in the ordinary course;
- (y) the Corporation is not and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus and any Supplementary Material, as the case may be, will not be required to be registered as an "investment company" as defined in the U.S. Investment Company Act of 1940, as amended, and the rules and regulations of the SEC promulgated thereunder;
- (z) except as disclosed in the Prospectus and any Supplementary Material, as the case may be, there is no action, proceeding or investigation (whether by or against the Corporation or any of its subsidiaries) pending or, to its knowledge, threatened against or affecting the Corporation or any of its subsidiaries at law or in equity, or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which materially adversely affects or may materially adversely affect the business, financial condition, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation and its subsidiaries, on a consolidated basis, or which questions or may question the validity of the Notes or the validity of the issuance, as fully paid and non-assessable, of the Series 2021-A Shares or any action taken or to be taken by the Corporation hereunder or under any agreement contemplated hereby;
- (aa) KPMG LLP are independent chartered professional accountants with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations;
- (bb) the Corporation and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Corporation believes are prudent and customary for the businesses in which they are engaged; all policies of insurance and fidelity or surety bonds insuring the Corporation or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect, except where the failure to be in full force and effect would not reasonably be expected to have a material adverse effect on the Corporation and its subsidiaries (taken as a whole); the Corporation and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects, except where such noncompliance would not reasonably be expected to have a material adverse effect on the Corporation and its subsidiaries (taken as a whole); neither the Corporation nor any such subsidiary has been refused any insurance coverage sought or applied for, except where such refusal would not reasonably be expected to have a material adverse effect; and neither the Corporation nor any such subsidiary has received written notice of non-renewal of any material policy of the Corporation or any subsidiary except in those situations where the Corporation believes it will be able to obtain similar coverage from similar insurers at market rates;

- (cc) except as disclosed in the Prospectus and any Supplementary Material, as the case may be, the Corporation and its subsidiaries, on a consolidated basis, have no material contingent liabilities;
- (dd) the information and statements set forth in the Public Record are true, correct and complete in all material respects and do not contain any misrepresentation as of the date of such information or statement, the Corporation has not filed any confidential material change reports still maintained on a confidential basis and there are no undisclosed material facts with respect to the Corporation or the Securities;
- (ee) the Prospectus and any Supplementary Material will contain in all material respects the disclosure required by all requirements of the applicable Securities Laws;
- (ff) none of the Corporation or any of its subsidiaries is in default under or in breach of (which in the case of (ii) and (iii) default or breach in any way materially adversely affects or may materially adversely affect the business, financial condition, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation and its subsidiaries on a consolidated basis), and the execution, delivery, performance of the terms of, and consummation of the transactions contemplated in, this Agreement, the Notes, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement, including, without limitation, the creation, issue, sale and delivery of the Notes pursuant to the Indenture and the creation, issue, sale and delivery of the Series 2021-A Shares to the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, will not, as of the Closing Date, result in any breach of, or be in conflict with or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under: (i) the respective constating documents, partnership agreements, by-laws or resolutions of the Corporation or any of its subsidiaries or the Holding Trust; (ii) any mortgage, note, indenture, contract, agreement, deed of trust, instrument, lease or other document, obligation, condition or covenant to which the Corporation or any of its subsidiaries is a party or by which the Corporation or any of its subsidiaries or the Holding Trust is bound; or (iii) any judgment, decree, order, statute, law, rule or regulation applicable to the Corporation or any of its subsidiaries or the Holding Trust;
- (gg) no order, ruling or determination having the effect of ceasing, suspending or restricting trading in any of the securities of the Corporation, including the Series 2021-A Shares and the Notes, has been issued and no proceedings, investigations or inquiries for such purpose are pending or, to the knowledge of the Corporation, contemplated or threatened;
- (hh) except as disclosed in the Prospectus and any Supplementary Material, the Corporation and each of its subsidiaries maintain a system of internal control over financial reporting that complies in all material respects with the requirements of NI 52- 109 and the U.S. Exchange Act and the rules and regulations promulgated thereunder (including Rule 13a - 15 and 15d-15 under the U.S. Exchange Act) and a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with Canadian generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences, except where the failure to maintain such a system would not reasonably be

expected to have a material adverse effect on the Corporation and its subsidiaries (taken as a whole); management of the Corporation has assessed the effectiveness of the Corporation's internal control over financial reporting, as at December 31, 2019, and has concluded that such internal control over financial reporting was effective as of such date;

- (ii) except as disclosed in the Prospectus and any Supplementary Material, the Corporation maintains disclosure controls and procedures that comply with the requirements of NI 52-109 and the U.S. Exchange Act and the rules and regulations promulgated thereunder (including Rule 13a-15 and 15d-15 under the U.S. Exchange Act); such disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Corporation in the reports that it files or submits under Securities Laws and U.S. Securities Laws is recorded, processed, summarized and reported within the time periods specified in such securities laws; such disclosure controls and procedures were effective as of December 31, 2019 at a reasonable assurance level;
- (jj) the Corporation has not taken and will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under Securities Laws, U.S. Securities Laws or otherwise, stabilization or manipulation of the price of any security of the Corporation to facilitate the sale or resale of the Securities;
- (kk) the Corporation and its subsidiaries have good and marketable title to all real property and good title to all personal property owned by them which is material to the business of the Corporation and its subsidiaries (taken as a whole), in each case free and clear of all liens, encumbrances and defects, except: (i) such as are described in the Prospectus and any Supplementary Material, as the case may be; or (ii) such as are not material in amount or do not in the aggregate materially interfere with the use made and proposed to be made of such properties by the Corporation and its subsidiaries; and any material real property and buildings held under lease by the Corporation and its subsidiaries are held by them under valid, subsisting and enforceable leases and do not interfere with the use made and proposed to be made of such property and buildings by the Corporation and its subsidiaries, in each case except as described in the Prospectus and any Supplementary Material, as the case may be;
- (ll) the Corporation is in compliance in all material respects with the United States *Sarbanes-Oxley Act of 2002* and the rules and regulations promulgated in connection therewith, including Section 402 relating to loans and Sections 302 and 906 relating to certifications;
- (mm) neither the Corporation nor any of its subsidiaries nor, to the knowledge of the Corporation, any director, officer, agent, employee or affiliate of the Corporation or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would reasonably be expected to result in a material violation by such persons of the *U.S. Foreign Corrupt Practices Act of 1977*, as amended, and the rules and regulations thereunder (the "**FCPA**") or the *Corruption of Foreign Public Officials Act (Canada)* (the "**CFPOA**"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; the Corporation, its subsidiaries and, to the knowledge of the Corporation, its affiliates have conducted their businesses in material compliance with the FCPA and the CFPOA and have instituted and maintain

policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

- (nn) the operations of the Corporation and its subsidiaries are and have been conducted at all times in material compliance with applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Corporation or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of the Corporation, threatened;
- (oo) neither the Corporation nor any of its subsidiaries nor, to the knowledge of the Corporation, any director, officer, agent, employee or affiliate of the Corporation or any of its subsidiaries is currently subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Corporation will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC;
- (pp) except to the extent that any violation or other matter referred to in this subsection does not have a material adverse effect on the business, financial condition, assets, properties, liabilities or operations of the Corporation and its subsidiaries (taken as a whole) or except as disclosed in the Prospectus and any Supplementary Material, as the case may be:
 - (i) each of the Corporation and its subsidiaries is in compliance with all applicable laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency ("**Environmental Laws**") relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances, other than any non-compliance which would, individually or in the aggregate, not have a material adverse effect on the Corporation and its subsidiaries, on a consolidated basis;
 - (ii) there has not occurred any material spills, emissions or pollution on any property of the Corporation or its subsidiaries or for which the Corporation or any of its subsidiaries is or may be responsible, nor is the Corporation or any of its subsidiaries subject to any outstanding stop orders, control orders, clean-up orders or reclamation orders under Environmental Laws; and
 - (iii) each of the Corporation and its subsidiaries has obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws ("**Environmental Permits**") necessary for the operation of the businesses carried on by the Corporation and its subsidiaries and each Environmental Permit is valid, subsisting and in good standing and none of the Corporation or its subsidiaries is in material default or breach of any Environmental Permit and no proceeding is pending or, to the knowledge of the Corporation, contemplated or threatened to revoke or limit any Environmental Permit;

- (qq) except to the extent that such taxes are currently being contested in good faith by the Corporation, the Corporation and its subsidiaries have paid, or made provision in their accounts in respect of, in all material respects, any and all liabilities for taxes, instalment of taxes, interest, penalties or other amounts payable by law to any relevant taxing authority in respect of all taxation years or reporting periods of the Corporation and its subsidiaries, respectively, ending on or before the date hereof, and all of such payments shall, in all material respects, accurately reflect the aggregate liability of the Corporation and its subsidiaries to such taxing authorities for such taxation years or reporting periods;
- (rr) with such exceptions as are not material to the Corporation and its subsidiaries (taken as a whole) and except as disclosed in writing to the Underwriters or their counsel, the Corporation and each of its subsidiaries has duly and on a timely basis filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which were claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period or reporting period for which tax returns are not yet required, there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Corporation or any of its subsidiaries and to the best of the knowledge, information and belief of the Corporation, there are no actions, suits, proceedings, investigations or claims threatened or pending against any of the Corporation or its subsidiaries in respect of taxes, governmental charges or assessments asserted by any such authority, and each of the Corporation and its subsidiaries has withheld and remitted on a timely basis any amounts that it is required to withhold and remit under any applicable legislation;
- (ss) except as disclosed in the Public Record, no material acquisitions or dispositions have been made by the Corporation or its predecessors or any of its subsidiaries in the three most recently completed fiscal years, and neither the Corporation nor any of its subsidiaries is party to any contract with respect to any transaction that constitutes or would constitute a "significant acquisition" or a "significant probable acquisition", in each case that would require disclosure in the Prospectus under Securities Laws;
- (tt) except as shall have been made or obtained on or before the Closing Date, as of the Closing Date, no consent, approval, authorization, registration or qualification of any court, governmental agency or body, regulatory authority or contractual party shall be required for: (i) the distribution of the Securities; (ii) the consummation of the transactions contemplated in this Agreement; or (iii) the delivery by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, of the Series 2021-A Shares to the holders of Notes in the manner described in the Prospectus and in accordance with the terms and conditions of the Indenture and the Holding Trust Declaration of Trust; and
- (uu) except as mandated by an applicable governmental authority, which mandates have not materially affected the Corporation and its subsidiaries (taken as a whole) as at the date of this Agreement, and except as disclosed in the Prospectus and any Supplementary Material, there has been no material suspension of the operations of the Corporation and its subsidiaries (taken as a whole) as a result of the COVID-19 Outbreak and the Corporation has been monitoring the COVID-19 Outbreak and the potential impact on its operations and has implemented measures which, in the opinion of the Corporation, are appropriate

to support the health of its employees where the Corporation and its subsidiaries operate while continuing to operate.

8. CLOSING

8.1 The closing of the purchase and sale of the Notes shall take place at the Closing Time by electronic means or in such other manner as may be agreed to in writing by the Designated Underwriters and the Corporation.

8.2 At the Closing Time:

(a) the Corporation shall cause the Indenture Trustee, as trustee for the Notes under the Indenture, to electronically deliver to CDS Clearing and Depository Services Inc. ("CDS"), on behalf of the Underwriters, one fully-registered global note for, or to otherwise electronically deposit with CDS, the Notes purchased by the Underwriters hereunder, registered in the name of "CDS & Co." as CDS's nominee, to be held by CDS as a book-entry only security in accordance with CDS's rules and procedures;

(b) the Corporation shall deliver to the Designated Underwriters, on behalf of all of the Underwriters, a direction to deduct the aggregate Underwriting Fee payable on the aggregate purchase price for the Notes issued and sold hereunder at the Closing Time, which the Corporation agrees to pay the Underwriters for their services in connection with the issuance and sale of the Notes from the aggregate purchase price for the Notes issued and sold hereunder owing to the Corporation; and

(c) the Designated Underwriters will cause to be sent to the Corporation by wire transfer or bank transfer, on behalf of the Underwriters, the aggregate purchase price for the Notes issued and sold hereunder, net of the Underwriting Fee as contemplated in Section 8.2(b).

8.3 The Underwriters will provide a direction to CDS with respect to the crediting of the Notes to the accounts of the participants of CDS as shall be designated by the Underwriters in writing in sufficient time prior to the Closing Date to permit such crediting.

8.4 The Corporation shall, prior to the Closing Date, make all necessary arrangements for the preparation and electronic delivery (and execution of one or more definitive global notes representing the Notes) of the Notes on the Closing Date. The Corporation shall pay all fees and expenses payable to the Indenture Trustee in connection with the preparation and delivery (and execution of the global note(s) representing the Notes) of the Notes contemplated by this Section 8.4 and the fees and expenses payable to the Indenture Trustee as may be required in the course of the distribution of the Notes. All transfer, documentary, sales, use, stamp, registration and other such taxes and fees (including any penalties, additions to tax and interest) incurred in connection with the delivery of the Notes shall be paid by the Corporation, and the Corporation shall indemnify and hold harmless the Underwriters in the event that the payment of any such taxes, or the receipt of indemnification payments hereunder, results in any tax incurred by the Underwriters.

9. CONDITIONS PRECEDENT

9.1 The following are conditions precedent to the obligations of the Underwriters hereunder which conditions the Corporation severally covenants to have fulfilled, to the extent applicable, at or

prior to the Closing Time and which conditions may be waived in writing in whole or in part by the Underwriters:

- (a) the Corporation shall have delivered to the Underwriters a certificate addressed to the Underwriters dated the Closing Date, signed (without personal liability) by any two of the President & Chief Executive Officer, the Senior Vice President, Finance & Chief Financial Officer and the Senior Vice President, External Affairs & Chief Legal Officer or such other senior officer of the Corporation, on behalf of the Corporation, certifying that:
 - (i) the Corporation has complied with all of the terms and conditions of this Agreement to be complied with by it at or prior to the Closing Time;
 - (ii) except for changes contemplated by this Agreement, the representations and warranties of the Corporation contained herein are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time;
 - (iii) no order, ruling or determination having the effect of ceasing, suspending or restricting the sale of or trading in the Notes or the Series 2021-A Shares or any other securities of the Corporation has been issued and is continuing in effect and no proceedings, investigations or inquiries for such purpose have been commenced, are pending or, to the knowledge of the person signing such certificate, contemplated or threatened; and
 - (iv) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) to such date in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation from that disclosed in the Prospectus or any Supplementary Material;
- (b) (i) the Corporation shall have duly created the Notes and the Series 2021-A Shares; (ii) the Corporation shall have duly and validly authorized the issuance of the Notes and the Series 2021-A Shares; and (iii) the definitive terms of the Notes and the Series 2021-A Shares (including the forms of certificates representing the Notes and the Series 2021-A Shares) shall be satisfactory to the Underwriters, acting reasonably, and, except as otherwise contemplated herein, as of the Closing Date, no consent, approval, authorization, registration or qualification of any court, governmental agency or body, regulatory authority or contractual party shall be required for (i) the distribution of the Securities; (ii) the consummation of the transactions contemplated in this Agreement; or (iii) the delivery by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, of the Series 2021-A Shares to the holders of Notes in the manner described in the Prospectus and in accordance with the terms and conditions of the Indenture and the Holding Trust Declaration of Trust;
- (c) the Underwriters shall have received at the Closing Time confirmation, in a form satisfactory to the Underwriters, acting reasonably, that the Notes are then rated BB+ by S&P and BB (High) with a stable trend by DBRS (which confirmation may consist of printouts from the respective websites of S&P and DBRS evidencing the ratings for the Notes);
- (d) the Underwriters shall have received a letter from the Corporation's auditors, updating the letter referred to in Section 3.1(d) to the Closing Date, provided that such letter shall be

based on a review by the Corporation's auditors having a cut-off date not more than two Business Days prior to the Closing Date;

- (e) the Underwriters shall have received a legal opinion in respect of the Prospectus and dated the Closing Date from Québec counsel as to compliance with the laws of Québec relating to the use of the French language;
- (f) the Underwriters shall have received satisfactory evidence of the issuance of one certificate in registered form or a direct registration system (DRS) advice representing the Series 2021-A Shares registered in the name of the Holding Trust Trustee, in its capacity as trustee for the Holding Trust;
- (g) the Underwriters shall have received satisfactory evidence: (i) that the Holding Trust has been formed and has all of the material attributes described in the Prospectus and any Supplementary Material; and (ii) that the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, has paid the aggregate purchase price in respect of the Series 2021-A Shares;
- (h) the Underwriters shall have received favourable legal opinions dated the Closing Date on behalf of the Underwriters from Stikeman Elliott LLP and on behalf of the Corporation and the Holding Trust by Blake, Cassels & Graydon LLP, with respect to all such matters of Canadian and provincial law in British Columbia, Alberta, Quebec and Ontario and from local counsel acceptable to Blake, Cassels & Graydon LLP and Stikeman Elliott LLP as to matters governed by laws of jurisdictions in Canada other than the provinces of Alberta, British Columbia, Ontario and Quebec as the Underwriters may reasonably request, including opinion paragraphs substantially as set forth in Schedule A hereto; and
- (i) such other certificates and other documentation as the Underwriters may reasonably request.

The foregoing documents shall be in form and substance satisfactory to the Underwriters and their counsel, acting reasonably. Counsel for the Underwriters may rely upon the opinions of Blake, Cassels & Graydon LLP as to matters which relate specifically to the Corporation and counsel for the Underwriters and counsel for the Corporation may rely upon the opinions of local counsel as to all matters not governed by the laws of the respective jurisdictions in which they are qualified to practice, and may rely, to the extent appropriate in the circumstances, as to matters of fact, on certificates of the Corporation, auditors and public officials, and the opinions of counsel may be subject to usual qualifications as to enforceability.

10. TERMINATION

- 10.1 The obligation of the Underwriters to purchase the Notes shall be subject to the accuracy as of the Closing Time in all material respects of the representations and warranties of the Corporation contained herein or in any certificate or document delivered pursuant to or as contemplated by this Agreement to be executed and delivered on or before closing and the due fulfillment and compliance in all material respects by the Corporation of and with its covenants herein contained.
- 10.2 All representations, warranties, terms and conditions of this Agreement, other than those which expressly provide for an obligation of the Underwriters, shall be construed as conditions inserted for the benefit of the Underwriters. Any material breach of, default under or non-compliance with any such representation, warranty, term or condition by the Corporation, shall entitle any of the

Underwriters to terminate such Underwriter's obligation to purchase the Notes by giving written notice to that effect to the Corporation at or prior to the Closing Time. The Underwriters may waive, in whole or in part, or extend the time for compliance with any such representation, warranty, term or condition without prejudice to the rights of the Underwriters in respect of any other representation, warranty, term or condition or any other or subsequent breach, default or non-compliance with that or any other representation, warranty, term or condition, provided that to be binding on any Underwriter any such waiver or extension must be in writing and signed by such Underwriter. No act of the Underwriters in offering the Notes or in preparing or joining in the execution of the Prospectus Supplement or any Supplementary Material or any Marketing Documents shall constitute a waiver of or estoppel against the Underwriters.

10.3 In addition to any other remedies which may be available to the Underwriters, each Underwriter shall be entitled, at its option, to terminate and cancel its obligations under this Agreement, without any liability on its part if, prior to the Closing Time:

- (a) any order to cease or suspend trading in any securities of the Corporation or prohibiting or restricting the distribution of any of the Securities is made, or proceedings are announced, commenced or threatened for the making of any such order, by any Securities Commission or similar regulatory authority, by the TSX or the NYSE or by any other competent authority, and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, investigation or other proceeding (whether formal or informal) is announced, commenced or threatened or any order or ruling is issued (and has not been rescinded, revoked or withdrawn) by any securities commission or similar regulatory authority, by the TSX or the NYSE or by any other competent authority or there is a change in law, regulation or policy or the interpretation or administration thereof, if, in the reasonable opinion of the Underwriters or any of them, the change, announcement, commencement, threatening or issuing thereof materially adversely affects the trading or distribution of the Notes or the Series 2021-A Shares;
- (c) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence, including any natural catastrophe, act of war, terrorism or pandemic (including as a result of the COVID-19 Outbreak but only to the extent that there are material adverse events related thereto occurring after the date of this Agreement) or any law or regulation which, in the opinion of the Underwriters or any of them, seriously adversely affects, or involves, or will seriously adversely affect, or involve, financial markets generally in Canada or the U.S. or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole;
- (d) there shall be any adverse change in the assigned ratings on the Notes by S&P or DBRS or if either S&P or DBRS shall have publicly announced that it has placed its rating of the Notes under surveillance or review, with possible negative or uncertain implications;
- (e) there has been, or has been announced by the appropriate governmental authority, any change or any proposed change in the Tax Act, current administrative decisions or any other applicable laws (including case law) or rules which, in any such case, in the Underwriters' opinion could be reasonably expected to have a material adverse effect on the market price, value or marketability of the Notes or the Series 2021-A Shares; or
- (f) there should occur any material change or change in a material fact or the Underwriters become aware, whether as a result of their due diligence review or otherwise, of any

material fact with respect to the Corporation or any of its subsidiaries or the Holding Trust, which had not been publicly disclosed at or prior to the date hereof, in either case which, in the reasonable opinion of the Underwriters or any of them, would be expected to have a significant adverse effect on the market price or value of the Notes or the Series 2021-A Shares.

If an Underwriter shall elect to terminate its obligation to purchase the Notes as aforesaid, whether the reason for such termination is within or beyond the control of the Corporation, the liability of the Corporation hereunder with respect to such Underwriter shall be limited to the indemnity and contribution rights referred to in Section 11 and the payment of expenses referred to in Section 12 as shall have been previously incurred.

The rights of termination contained in this Section 10 may be exercised by any Underwriter acting alone and, subject to the immediately preceding paragraph, are in addition to any other rights or remedies the Underwriters or any of them may have in respect of any of the matters contemplated by this Agreement or otherwise. Except as provided in the immediately preceding paragraph, any such termination shall not discharge or otherwise affect any obligation or liability of the Corporation provided herein or prejudice any other rights or remedies any party may have as a result of any breach, default or non-compliance by any other party. A notice of termination given by an Underwriter under this Section 10 shall not be binding upon any other Underwriter. If one or more but not all of the Underwriters shall exercise the rights of termination herein, then the provisions of Section 13.2 and 13.3 shall apply.

11. INDEMNIFICATION

11.1 The Corporation (the "**Indemnitor**") hereby covenants and agrees to indemnify and hold harmless each of the Underwriters, their respective affiliates and each of their respective directors, officers, employees and agents (each an "**Indemnified Party**") from and against all liabilities, claims, demands, losses (other than loss of profit in connection with the distribution of the Securities or other indirect or consequential damages or claims), costs (including, without limitation, legal fees and disbursements on a full indemnity basis), damages and expenses (including for greater certainty all such liabilities, claims, losses, costs, fines, penalties, damages or expenses suffered by or made against any Underwriter or any of its directors, officers, employees, shareholders or agents, or by any person who may attract or be subject to liability as an underwriter) in any way caused by or arising directly or indirectly from or in consequence of:

- (a) any information or statement contained in or incorporated by reference into the Prospectus or any Supplementary Material or in any other document or material filed or delivered pursuant hereto (other than any information or statement relating solely to the Underwriters and furnished to the Corporation by the Underwriters or the Underwriters' counsel in writing expressly for inclusion in the Prospectus) which is or is alleged to be a misrepresentation or untrue, or any omission or alleged omission to provide any information or state any fact (other than any information or statement relating solely to the Underwriters) the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which they were made;
- (b) any order made or any inquiry, investigation or proceeding commenced or threatened by any Securities Commission or other authority based upon any failure by the Corporation to comply with any of the Securities Laws or U.S. Securities Laws or any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (except a statement, omission or misrepresentation relating solely to the Underwriters or

any of them) in the Prospectus or in any Supplementary Material or in any other document or material filed or delivered pursuant hereto, preventing or restricting trading in or distribution of the Notes or the Series 2021-A Shares; or

- (c) any breach of, default under or non-compliance by the Corporation with any requirements of applicable Securities Laws and U.S. Securities Laws, the by-laws, rules or regulations of the TSX or NYSE in connection with the transactions contemplated hereby or any representation, warranty, covenant, term or condition of this Agreement or in any certificate or other document delivered by or on behalf of the Corporation hereunder or delivered pursuant hereto.

11.2 In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 11.1 is unavailable, in whole or in part, for any reason to an Indemnified Party in respect of any liabilities, claims, demands, losses, costs, damages and expenses referred to therein, the Indemnitor shall contribute to the aggregate amount paid or payable (or, if such indemnity is unavailable only in respect of a portion of the amount so paid or payable, such portion of the amount so paid or payable) by such Indemnified Party as a result of such liabilities, claims, demands, losses, costs, damages and expenses:

- (a) in such proportion as is appropriate to reflect the relative benefits received by the Indemnitor on the one hand and the Underwriters on the other hand from the distribution of the Notes; or
- (b) if the allocation provided by clause (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect the relative fault of the Indemnitor on the one hand and the Underwriters on the other hand in connection with the matters or things referred to in Section 11.1 which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations;

provided that the Underwriters shall not in any event be liable to contribute, in the aggregate, any amount in excess of the lesser of the Underwriting Fee and any portion thereof actually received. The relative benefits received by the Indemnitor on the one hand and the Underwriters on the other hand shall be deemed to be in the same proportion as the gross proceeds from the distribution of the Notes is to the Underwriting Fee received by the Underwriters. The relative fault of the Indemnitor on the one hand and of the Underwriters on the other hand shall be determined by reference to, among other things, whether the matters or things referred to in Section 11.1 which resulted in such liabilities, claims, demands, losses, costs, damages and expenses relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Indemnitor or to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission, misrepresentation, or other matter or thing referred to in Section 11.1. The Indemnitor and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 11.2 were determined by any method of allocation which does not take into account the equitable considerations referred to in this Section 11.2.

11.3 If any matter or thing contemplated by Section 11.1 shall be asserted against any Indemnified Party, such Indemnified Party shall notify the Indemnitor and the Underwriters as soon as possible of the nature of such claim (provided that any failure to so notify the Indemnitor shall not relieve the Indemnitor of liability under Sections 11.1 and 11.2 except to the extent that failure to notify has prejudiced the Indemnitor) and the Indemnitor shall be entitled (but not required) to assume the

defence of any suit or proceeding brought to enforce such claim. Any such defence shall be through legal counsel acceptable to the Indemnified Party (whose acceptance shall not be unreasonably withheld or delayed) and no admission of liability or settlement shall be made by the Indemnitor or any Indemnified Party in respect of the claim against any Indemnified Party without, in each case, the prior written consent of the other party (the Indemnified Party or the Indemnitor, as the case may be) such consent not to be unreasonably withheld or delayed. An Indemnified Party shall have the right to retain separate counsel in any such suit or proceeding and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless (i) the Indemnitor fails to assume the defence of such suit or proceeding on behalf of the Indemnified Party within a reasonable period of time, or (ii) the retention of such counsel has been authorized in writing by the Indemnitor, or (iii) the named parties to any such suit or proceeding include the Indemnified Party as well as the Indemnitor and the Indemnified Party shall have received a written opinion from counsel acceptable to the Indemnitor that there may be one or more legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor and which cannot reasonably be maintained by one law firm that represents both the Indemnified Party and the Indemnitor (in which case, if such Indemnified Party notifies the Indemnitor in writing that it elects to retain separate counsel at the expense of the Indemnitor, the Indemnitor shall not have the right to assume the defence of such suit or proceeding on behalf of the Indemnified Party and shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Party; provided, however, that the Indemnitor shall not, in connection with any one such action or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one law firm for all such Indemnified Parties). The Indemnified Party shall provide the Indemnitor copies of all documents and information pertaining to the claim, take all actions necessary to preserve its rights to object to or defend against the claim, consult and co-operate with the Indemnitor in determining whether the claim and any legal proceeding resulting therefrom should be resisted, compromised or settled and co-operate and assist in any negotiations to compromise or settle or in any defence of a claim undertaken by the Indemnitor. The Indemnitor shall not be liable for any settlement of any action or proceeding effected without its written consent. It is the intention of the Indemnitor to constitute each of the Underwriters as trustees, for the Underwriters' directors, officers, employees, shareholders and agents, of the covenants of the Indemnitor under Sections 11.1 and 11.2 with respect to the Underwriters' directors, officers, employees, shareholders and agents, and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

- 11.4 The rights provided in this Section 11 shall be in addition to and not in derogation from any other rights which the Underwriters may have by statute or otherwise at law.
- 11.5 The rights of indemnity and contribution in favour of the Underwriters, their directors, officers, employees or agents contained in Sections 11.1 and 11.2 in respect of a claim based on a misrepresentation or omission or alleged misrepresentation or omission in the Prospectus or Supplementary Material shall not apply if the Indemnitor has complied with Section 4.1 and Section 4.2, and, if applicable, Section 6 hereof, and the person asserting that claim was not provided with a copy of the Prospectus or any Supplementary Material (which is required under applicable Securities Laws and/or U.S. Securities Laws to be delivered to that person by the members of any Selling Firms) which corrects such misrepresentation or omission or alleged misrepresentation or omission.

12. EXPENSES

- 12.1 Whether or not the sale of Notes contemplated hereby is completed, all expenses of or incidental to the Offering shall (subject to Section 12.2) be borne by the Corporation, including, without limitation, expenses payable in connection with the qualification of the Securities for distribution in the Provinces, the fees and expenses of counsel and auditors for the Corporation, fees and expenses for marketing of the Offering, listing fees, fees and expenses of the Indenture Trustee and the Holding Trust Trustee, S&P and DBRS, all costs incurred in connection with the preparation, translation, printing and delivery of the Prospectus Supplement, Marketing Documents and any Supplementary Material and all costs incurred in connection with establishing the Holding Trust, creating the Notes and the Series 2021-A Shares and in connection with the preparation of the Indenture, the Holding Trust Declaration of Trust and all matters related thereto but excluding the fees and disbursements of Underwriters' legal counsel and all out-of-pocket expenses of the Underwriters.
- 12.2 If the sale of Notes contemplated hereby is not completed, other than by reason of a breach or default by the Underwriters, the Underwriters' reasonable expenses, including the Underwriters' out-of-pocket expenses, and the fees and disbursements of Underwriters' legal counsel together with all related taxes (including, without limitation, any harmonized goods and services taxes, provincial sales taxes and goods and services taxes) shall be borne by the Corporation.

13. OBLIGATIONS OF THE UNDERWRITERS

- 13.1 The Underwriters' obligations to purchase the Notes at the Closing Time shall be several and not joint or joint and several and the Underwriters' respective obligations in this respect shall be limited to the following percentages of the Notes to be purchased at the Closing Time:

RBC Dominion Securities Inc.	17.00%
CIBC World Markets Inc.	17.00%
Scotia Capital Inc.	17.00%
TD Securities Inc.	17.00%
National Bank Financial Inc.	13.5%
BMO Nesbitt Burns Inc.	8.5%
Peters & Co. Limited	2.5%
ATB Capital Markets Inc.	2.0%
J.P. Morgan Securities Canada Inc.	2.0%
MUFG Securities (Canada), Ltd.	2.0%
Tudor, Pickering, Holt & Co. Securities - Canada, ULC	1.5%
	100.0%

- 13.2 If, at the Closing Time, any one or more of the Underwriters shall fail or refuse to purchase its respective percentage set forth above of the aggregate number of the Notes (any such Underwriters being "**Refusing Underwriters**") and the aggregate number of such Notes which such Refusing Underwriter or Underwriters agreed but failed or refused to purchase is 12% or less of the aggregate number of the Notes to be purchased on such date, the other Underwriters (the "**Continuing**")

Underwriters") shall be obligated severally, in the proportions that the respective percentage set forth opposite their names above bear to the aggregate of the percentages set forth opposite the names of all such Continuing Underwriters, to purchase the Notes which such Refusing Underwriter or Underwriters agreed but failed or refused to purchase at such time.

- 13.3 If any one or more of the Refusing Underwriters shall not purchase its applicable percentage of the Notes at the Closing Time and the aggregate number of such Notes which such Refusing Underwriter or Underwriters agreed but failed or refused to purchase is greater than 12% of the aggregate number of Notes to be purchased at such time, the Continuing Underwriters shall have the right, but shall not be obligated, to purchase all of the percentage of the Notes, which would otherwise have been purchased by such Refusing Underwriters; the Continuing Underwriters exercising such right shall purchase such Notes *pro rata* to their respective percentages aforesaid or in such other proportions as they may otherwise agree. In the event such right is not exercised, the Continuing Underwriters shall be entitled by written notice to the Corporation to terminate this Agreement without liability. If none of the Continuing Underwriters exercises such right, the Corporation shall be entitled to terminate their obligations under this Agreement (except for their liabilities under Section 11 and Section 12, in respect of the Continuing Underwriters) and such Continuing Underwriters shall be relieved of all of their obligations to the Corporation hereunder. A Continuing Underwriter which stands ready to purchase its percentage as stipulated above of the number of Notes to be purchased by the Underwriters under this Agreement will have no liability to the Corporation if a Refusing Underwriter defaults in its obligation to purchase its percentage of such Notes. Nothing in this Section shall oblige the Corporation to sell less than all of the Notes or prejudice or limit any rights, which the Corporation may have against a Refusing Underwriter or the rights of any Underwriter may have against any other Underwriter.

14. CONCURRENT OFFERINGS

- 14.1 The Corporation shall not from the date hereof until 60 days after the Closing Date, directly or indirectly, sell, agree or offer to sell, grant any option for the sale of, or otherwise dispose of any subordinated debt or any other securities with provisions or characteristics similar to the Notes, or announce such intention, without the prior written consent of the Designated Underwriters, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed.

15. AUTHORITY TO DESIGNATED UNDERWRITERS

- 15.1 The Corporation shall be entitled to and shall act on any notice or other communication given by or on behalf of the Underwriters by the Designated Underwriters which shall represent the Underwriters and which shall have the authority to bind the Underwriters except in respect of a notice of termination given pursuant to Section 10 or Section 13, which notice may be given by any of the Underwriters, any waiver pursuant to Section 10.2, which waiver may be given by any of the Underwriters exercising such waiver, or an agreement of settlement under Section 11.3, which may be made only by the Underwriters affected thereby. The Designated Underwriters shall consult fully with all other Underwriters with respect to any such notice or other communication.

16. NOTICES

- 16.1 Any notice or other communication to be given hereunder shall be addressed to:
- (a) in the case of notice to the Corporation:

PEMBINA PIPELINE CORPORATION

Suite 4000, 585 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: J. Scott Burrows,
Senior Vice President, Finance & Chief Financial Officer

Email: sburrows@pembina.com

with a copy to:

Attention: Harold K.B. Andersen
Senior Vice President, External Affairs & Chief Legal Officer

Email: handersen@pembina.com

- (b) and, in the case of notice to the Underwriters, to the attention of the Designated Underwriters:

RBC DOMINION SECURITIES INC.
P.O. Box 50, 200 Bay Street,
2nd Floor, North Tower
Toronto, Ontario M5J 2W7

Attention: James Wetmore
Email: jamie.wetmore@rbccm.com

CIBC WORLD MARKETS INC.
5th Floor, 161 Bay Street
Toronto, Ontario M5J 2S8

Attention: Sean Gilbert
Email: sean.gilbert@cibc.com

Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee. A notice which is personally delivered or delivered by e-mail shall, if delivered prior to 5:00 p.m. (Calgary time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered. Any party may change its address for notice by notice to the other parties hereto given in the manner herein provided.

17. MISCELLANEOUS

17.1 The representations, warranties and covenants contained in this Agreement shall survive the purchase by the Underwriters of the Notes and shall continue in full force and effect for a period equal to the statutory limitation period following completion of the distribution of the Notes, unaffected by any subsequent disposition by the Underwriters of the Notes and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the preparation of the Prospectus Supplement or any Supplementary Material or the distribution of the Notes.

17.2 Time shall be of the essence of this Agreement.

- 17.3 If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.
- 17.4 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the Courts of the Province of Alberta.
- 17.5 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts, taken together, shall constitute one and the same instrument.
- 17.6 This Agreement constitutes the entire agreement among the parties hereto relating to the purchase by, and sale of the Notes to, the Underwriters and the process leading thereto and supersedes all prior agreements between any of those parties with respect to their respective rights and obligations in respect of such transaction and the process leading thereto.
- 17.7 Each of CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc. and National Bank Financial Inc. or an affiliate thereof, owns or controls an equity interest in TMX Group Limited ("**TMX Group**") and may have a nominee director serving on the TMX Group's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSX, the TSX Venture Exchange and the Alpha Exchange (each, an "**Exchange**"). No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service. None of CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc. and National Bank Financial Inc. requires the Corporation to list securities on any of the Exchanges as a condition of supplying or continuing to supply underwriting and/or any other services, including any services provided pursuant to the terms hereof.

[remainder of page intentionally left blank]

If the foregoing is acceptable to you, please signify such acceptance by executing and returning the enclosed copy of this Agreement to the Designated Underwriters, on behalf of the Underwriters. Such acceptance will constitute an agreement for the purchase by the Underwriters and sale by the Corporation of the Notes on the terms set out herein.

Yours very truly,

RBC DOMINION SECURITIES INC.

By: (signed) "James Wetmore"
Name: James Wetmore
Title: Managing Director

CIBC WORLD MARKETS INC.

By: (signed) "Sean Gilbert"
Name: Sean Gilbert
Title: Managing Director

SCOTIA CAPITAL INC.

By: (signed) "Patrick Breithaupt"
Name: Patrick Breithaupt
Title: Managing Director

TD SECURITIES INC.

By: (signed) "Mark Laing"
Name: Mark Laing
Title: Director

NATIONAL BANK FINANCIAL INC.

By: (signed) "Tushar Kittur"
Name: Tushar Kittur
Title: Managing Director, Debt
Capital Markets

BMO NESBITT BURNS INC.

By: (signed) "Katyne Mann"
Name: Katyne Mann
Title: Managing Director

PETERS & CO. LIMITED

By: (signed) "Jeff Lawson"
Name: Jeff Lawson
Title: Managing Director, Corporate
Finance

ATB CAPITAL MARKETS INC.

By: (signed) "Greg Woynarski"
Name: Greg Woynarski
Title: Managing Director

J.P. MORGAN SECURITIES CANADA INC.

By: (signed) "David Harrison"
Name: David Harrison
Title: Managing Director

MUFG SECURITIES (CANADA), LTD.

By: (signed) "Jason Stanger"
Name: Jason Stanger
Title: Director

**TUDOR, PICKERING, HOLT & Co.
SECURITIES - CANADA, ULC**

By: (signed) "Derek Wheatley"
Name: Derek Wheatley
Title: Managing Director

ACCEPTED as of the date of this letter first written above.

PEMBINA PIPELINE CORPORATION

By: (signed) "J. Scott Burrows"
Name: J. Scott Burrows
Title: Senior Vice President, Finance &
Chief Financial Officer

By: (signed) "Harold K.B. Andersen"
Name: Harold K.B. Andersen
Title: Senior Vice President, External
Affairs & Chief Legal Officer

SCHEDULE A - OPINION OF CORPORATION COUNSEL

This is Schedule "A" to the Underwriting Agreement dated effective January 12, 2021 between Pembina Pipeline Corporation and RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., Peters & Co. Limited, ATB Capital Markets Inc., J.P. Morgan Securities Canada Inc., MUFG Securities (Canada), Ltd. and Tudor, Pickering, Holt & Co. Securities - Canada, ULC. This Schedule "A" is deemed to be incorporated by reference into the Underwriting Agreement.

1. The Corporation:
 - (a) has been duly amalgamated and is validly subsisting under the laws of the Province of Alberta;
 - (b) is registered as an amalgamated extraprovincial company under the laws of the Province of British Columbia and has not had its registration cancelled;
 - (c) has the requisite corporate power and capacity to own, lease and operate its properties and assets and conduct its business as currently conducted and to enter into and perform its obligations under the Underwriting Agreement, the Indenture, the Holding Trust Declaration of Trust of Trust, the Administration Agreement and the Indemnity Agreement; and
 - (d) is qualified to carry on business under the laws of each jurisdiction in which it carries on business.
2. The Holding Trust has been established as a trust under the laws of the Province of Alberta.
3. The Corporation is authorized to issue: (i) an unlimited number of Common Shares, (ii) Class A Preferred Shares issuable in series and limited in number to a maximum of 254,850,850 Class A Preferred Shares, and (iii) an unlimited number of Class B Preferred Shares.
4. The attributes of the Notes, the Series 2021-A Shares, the Indenture, the Holding Trust, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement conform in all material respects with the descriptions thereof in the Prospectus.
5. The form and terms of the global note(s) representing the Notes have been approved by the Corporation and comply with the Indenture and all legal requirements applicable thereto.
6. The Notes have been duly executed, authenticated, issued and delivered and, upon receipt of the full consideration therefore, constitute legal, valid and binding obligations of the Corporation entitled to the benefits of the Indenture, and there is no registration, filing or recording of the Indenture under the laws of Canada or any province thereof that is necessary in order to preserve or protect the validity or enforceability of the Indenture or the Notes issued thereunder.
7. Computershare Trust Company of Canada has been duly appointed by the Corporation as the trustee for the Notes under the Indenture and the transfer agent and registrar for the Notes.
8. The form and terms of the definitive certificates representing the Series 2021-A Shares have been approved and adopted by the Corporation and comply with the ABCA, the constating documents and by-laws of the Corporation and the rules and policies of the TSX.

9. Computershare Trust Company of Canada has been duly appointed as the transfer agent and registrar for the Series 2021-A Shares.
10. The Series 2021-A Shares have been duly authorized, created and reserved for issuance and, when issued in accordance with the Underwriting Agreement, will be validly issued and outstanding as fully paid and non-assessable Series 2021-A Shares.
11. No order, ruling or determination having the effect of ceasing, suspending or restricting the distribution or trading of the Common Shares, the Notes, the Series 2021-A Shares, Series 1 Shares, Series 2 Shares, Series 3 Shares, Series 4 Shares, the Series 5 Shares, the Series 6 Shares, the Series 7 Shares, the Series 8 Shares, the Series 9 Shares, the Series 10 Shares, the Series 11 Shares, the Series 12 Shares, the Series 13 Shares, the Series 14 Shares, Series 15 Shares, Series 16 Shares, Series 17 Shares, Series 18 Shares, Series 19 Shares, Series 20 Shares, Series 21 Shares, the Series 22 Shares, the Series 23 Shares, the Series 24 Shares, the Series 25 Shares or the Series 26 Shares (of which we are aware) has been issued by any Securities Commission.
12. The Corporation has the corporate power and capacity to execute and deliver the Underwriting Agreement, the Indenture, the global note(s) representing the Notes, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement and to perform its obligations set out therein, and the Underwriting Agreement, the Indenture, the global note(s) representing the Notes, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement have each been duly authorized, executed and delivered by the Corporation and each constitute a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with their respective terms.
13. When the Notes are completed and issued in the form and within the limits specified in the Indenture and executed on behalf of the Corporation and certified by the Indenture Trustee, in each case as provided in the Indenture, and delivered by or on behalf of the Corporation for value, the Notes will constitute legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with its terms.
14. The entering into and performance by the Corporation of the Underwriting Agreement, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement, including the creation, issuance and sale of the Securities, does not and will not conflict with, result in a breach of or constitute a default under (whether after notice or lapse of time or both):
 - (a) the articles and by-laws of the Corporation or any resolutions (of which we are aware) of the directors (or any committee thereof) or shareholders thereof;
 - (b) to our knowledge, any indenture, debenture, mortgage, deed of trust, loan agreement, licence, permit, registration or other agreement or instrument to which the Corporation is a party or by which it is bound or to which any of its property or assets is subject; or
 - (c) any statute or, to our knowledge, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Corporation;

except, in the case of (b) and (c), where such conflict, breach or default or the consequences thereof, alone or in the aggregate, would not have a material adverse effect on the Corporation or the performance by the Corporation of its obligations under the Underwriting Agreement, the

Indenture, the Holding Trust Declaration of Trust, the Administration Agreement and the Indemnity Agreement.

15. No consent, approval, authorization or order of or filing with any court or public, governmental or regulatory agency or body governed by the laws of Canada or the Province of Alberta is required to be made or obtained by the Corporation for the execution, delivery and performance by the Corporation of the Underwriting Agreement, the Indenture, the Holding Trust Declaration of Trust, the Administration Agreement, the Indemnity Agreement or for the consummation of the transactions contemplated hereby or thereby, except for such as have been made or obtained under Securities Laws.
16. All necessary corporate action has been taken by the Corporation to authorize the execution of the Final Base Shelf Prospectus and the filing of the Final Base Shelf Prospectus, the Prospectus Supplement and the Marketing Documents in each of the Provinces in accordance with applicable Securities Laws.
17. All necessary documents have been filed and all requisite proceedings have been taken and all approvals, permits, consents and authorizations of the Securities Commissions required under applicable Securities Laws have been obtained by the Corporation to qualify the distribution of the Securities in each of the Provinces and, in respect of the Notes, through persons or companies who are duly registered in an appropriate category of dealer registration under applicable Securities Laws who have complied with the relevant provisions of such laws and the terms of such registration.
18. The delivery by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, of the Series 2021-A Shares to the holders of Notes in the manner described in the Prospectus and in accordance with the terms and conditions of the Indenture and the Holding Trust Declaration of Trust will not be subject to the prospectus requirements of the Securities Laws and no document is required to be filed, no proceeding is required to be taken by the Corporation and no approval, permit, consent, order or authorization is required to be made, taken or obtained by the Corporation under the Securities Laws to permit such delivery by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, of the Series 2021-A Shares.
19. The first trade in the Series 2021-A Shares by the holders of Notes acquired upon the delivery of such Series 2021-A Shares by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, in the manner described in the Prospectus and in accordance with the terms and conditions of the Indenture and the Holding Trust Declaration of Trust in each of the Provinces will not be subject to the prospectus requirements of applicable Securities Laws and no filing, proceeding, approval, consent or authorization under applicable Securities Laws will be required to permit any such trade in the Provinces made through persons or companies who are duly registered in an appropriate category of dealer registration under applicable Securities Laws who have complied with the relevant provisions of such laws and the terms of such registration.
20. All laws of the Province of Québec relating to the use of the French language (other than those relating to verbal communications) will have been complied with in connection with the sale of the Notes in the Province of Québec if prospective purchasers of the Notes in the Province of Québec received:
 - (a) copies of the French and English language versions of the Prospectus delivered at the same time or copies of the French language version only;

- (b) forms of order and confirmation in bilingual form or in the French language only; and
- (c) upon request, copies of the French and English language versions of all documents incorporated by reference in the Prospectus Supplement delivered at the same time or copies of the French language version only.

provided that, in the case of individuals so requesting in writing, copies of the English language versions of such documents may be delivered without delivery of the French language version.

21. Subject to the assumptions, qualifications, limitations and restrictions set out therein, the statements in the Prospectus Supplement under the heading "Eligibility for Investment" insofar as such statements constitute statements of law, are accurate.
22. Subject to the assumptions, qualifications, limitations and restrictions set out under the heading "Eligibility for Investment" in the Prospectus Supplement, the Securities, if issued on the date hereof, would be, on such date, "qualified investments" for the purposes of the Tax Act as set out under the heading "Eligibility for Investment" in the Prospectus Supplement.
23. Subject to the assumptions, qualifications, limitations and restrictions set out therein, the statements in the Prospectus Supplement under the heading "Canadian Federal Income Tax Considerations", insofar as such statements constitute statements of law, constitute a fair and adequate summary of the principal Canadian federal income tax consequences arising under the Tax Act generally applicable to a purchaser of the Notes who holds the Securities as capital property and deals at arm's-length with and is not affiliated with the Corporation or the Underwriters.

SCHEDULE B - ATTRIBUTES OF THE SECURITIES

This is Schedule "B" to the Underwriting Agreement dated effective January 12, 2021 between Pembina Pipeline Corporation and RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., Peters & Co. Limited, ATB Capital Markets Inc., J.P. Morgan Securities Canada Inc., MUFG Securities (Canada), Ltd. and Tudor, Pickering, Holt & Co. Securities - Canada, ULC. This Schedule "B" is deemed to be incorporated by reference into the Underwriting Agreement.

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities being offered will not be listed on any securities or stock exchange. No assurance can be given that a trading market in the securities will develop or as to the liquidity of any trading market. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "Risk Factors" in the final base shelf prospectus and in the related prospectus supplement. Investing in the securities being offered involves risk. It is important for an investor to consider the particular risk factors that may affect the industry in which it is investing. See, for example, the risk factors set out under the heading "Risk Factors" in the final base shelf prospectus and in Pembina's (as defined herein) other continuous disclosure documents. These sections also describe Pembina's assessment of those risk factors, as well as the potential consequences to an investor if a risk should occur.

January 12, 2021



Pembina Pipeline Corporation
4.80% Fixed-to-Fixed Rate Subordinated Notes, Series 1
due January 25, 2081
Final Term Sheet

Issuer:	Pembina Pipeline Corporation (" Pembina " or the " Corporation ")
Issue:	Fixed-to-Fixed Rate Subordinated Notes, Series 1 due January 25, 2081 (the " Notes "), issued pursuant to a Short Form Base Shelf Prospectus dated December 30, 2020 and a Prospectus Supplement dated January 12, 2021
Expected Credit Ratings¹:	DBRS: BB(High) S&P: BB+
Principal Amount:	C\$600 million
Pricing Date:	January 12, 2021
Settlement Date:	January 25, 2021 (T+9)
Maturity Date:	January 25, 2081
Issue Yield:	4.80% per year
Price to Public:	\$100.00
Interest:	<p>The Notes will bear interest from, and including, the Settlement Date to, but excluding, January 25, 2031, at a rate of 4.80% per annum.</p> <p>From, and including, January 25, 2031, and on every fifth anniversary of such date thereafter (each such date an "Interest Reset Date"), the interest rate on the Notes will reset for the Subsequent Fixed Rate Period (as defined herein) at a rate per annum equal to the Five Year Government of Canada Yield (as defined herein) as of the most recent Interest Reset Determination Date (as defined herein), plus: (i) for the period from, and including, January 25, 2031 to, but excluding, January 25, 2051, 4.167%; and (ii) for the period from, and including, January 25, 2051 to, but excluding, the Maturity Date, 4.917%, in each case, to be reset on each Interest Reset Date.</p>

Interest on the Notes will be payable semi-annually in arrears on January 25 and July 25 of each year (each such date, an "**Interest Payment Date**"), commencing on July 25, 2021.

"Five Year Government of Canada Yield" means, as at any Interest Reset Determination Date for a Subsequent Fixed Rate Period, the bid yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date, provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, "Five Year Government of Canada Yield" means the average of the yields determined by two registered Canadian investment dealers (each of which is a member of the Investment Industry Regulatory Organization of Canada), selected by the Corporation, as being the yield to maturity (assuming semi-annual compounding) on such date at or about 10:00 am (Toronto time) which a Canadian dollar denominated non-callable Government of Canada bond would carry if issued in Canadian dollars at 100% of its principal amount on such date with a term to maturity of five years.

"Bloomberg Screen GCAN5YR Page" means the display designated as page "GCAN5YR<INDEX>" on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service for purposes of displaying Government of Canada bond yields).

"Interest Reset Determination Date" means, for any Subsequent Fixed Rate Period, the date that is one Business Day prior to the first day of such Subsequent Fixed Rate Period.

"Subsequent Fixed Rate Period" means the period from, and including, the initial Interest Reset Date to, but excluding, the next Interest Reset Date and each five-year period thereafter from, and including, the most recent Interest Reset Date to, but excluding, the next Interest Reset Date (or the Maturity Date, as applicable).

"Business Day" means a day other than a Saturday, Sunday or other day on which banking institutions in the Province of Alberta or the Province of Ontario are authorized or required by law to close.

Deferral Right:

So long as no event of default under the indenture pursuant to which the Notes are to be issued (the "**Indenture**") has occurred and is continuing, the Corporation may elect, at its option, on any date other than an Interest Payment Date, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (each, a "**Deferral Period**"). There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the Indenture or the Notes. Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. A Deferral Period terminates on any Interest Payment Date where the Corporation pays all accrued and unpaid (including deferred, as applicable) interest on such date. No Deferral Period may extend beyond the Maturity Date and, for greater certainty, all accrued and unpaid (including deferred, as applicable) interest shall be due and payable on the Maturity Date or any date fixed for redemption, as applicable.

**Dividend Stopper
Undertaking:**

Unless the Corporation has paid all accrued and unpaid (including deferred, as applicable) interest on the Notes, subject to certain exceptions, the Corporation will not (i) declare any dividends on its preferred shares or its common shares (the "**Dividend Restricted Shares**") or pay any interest on any class or series of its indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes as to distributions upon liquidation, dissolution or winding-up (the "**Parity Notes**"), (ii) redeem, purchase or otherwise retire any Dividend Restricted Shares or Parity Notes, or (iii) make any payment to holders of or in respect of any of the Dividend Restricted Shares or any of the Parity Notes in respect of dividends not declared or paid on such Dividend Restricted Shares or interest not paid on such Parity Notes, respectively.

**General Optional
Redemption:**

Pembina may, at its option, redeem the Notes, in whole at any time or in part from time to time, on giving not more than 60 days' nor less than 10 days' prior notice to the holders of the Notes ("**Noteholders**"), and upon such conditions as may be specified in the applicable notice of redemption, at a redemption price equal to 100% of the principal amount thereof: (i) from October 25, 2030 to January 25, 2031; and (ii) thereafter, on any Interest Payment Date or any Interest Reset Date, as applicable, in each case, together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption.

In the event that the Corporation redeems or purchases any of the Notes, the Corporation intends (without thereby assuming a legal obligation) to do so only to the extent the aggregate redemption or purchase price is equal to or less than the net proceeds, if any, received by the Corporation from new issuances, during the period commencing one year prior to the date of such redemption or purchase of securities, which are assigned by S&P at the time of sale or issuance, an aggregate equity credit that is equal to or greater than the equity credit assigned to the Notes to be redeemed or purchased (but taking into account any changes in hybrid capital methodology or criteria or another relevant methodology or criteria or the interpretation thereof since the issuance of the Notes).

**Redemption on Tax or
Rating Event:**

At any time on or within 90 days following the occurrence of a Tax Event (as defined herein)ⁱⁱ, the Corporation may, at its option, on giving not more than 60 days' nor less than 10 days' prior notice to the Noteholders, redeem all (but not less than all) of the Notes at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption.

At any time on or within 90 days following the occurrence of a Rating Event (as defined herein)ⁱⁱⁱ, the Corporation may, at its option, on giving not more than 60 days' nor less than 10 days' prior notice to the Noteholders, redeem all (but not less than all) of the Notes at a redemption price equal to 102% of the principal amount thereof, together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption.

For greater clarity, if there is a Tax Event or Rating Event on or after October 25, 2030, the Corporation may elect an optional redemption of the Notes, as described above, rather than a redemption by way of the Tax Event or Rating Event optional redemption right, as applicable.

Holding Trust:

The Corporation shall establish a trust (the "**Holding Trust**") to be governed by a declaration of trust (as may be amended, modified, supplemented or restated from time to time, the "**Holding Trust Declaration of Trust**") between the Corporation, as settlor, and Computershare Trust Company of Canada (or any successor thereto), as trustee (the "**Holding Trust Trustee**"). The Holding Trust's objective will be to acquire, hold and deliver the assets held by the Holding Trust Trustee, as trustee for the Holding Trust (the "**Holding Trust Assets**"), in accordance with and subject to the terms of the Holding Trust Declaration of Trust.

The Holding Trust Assets in respect of the Notes to be held by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, may only be comprised of: (i) the Cumulative Redeemable Fixed-to-Fixed Rate Class A Preferred Shares, Series 2021-A of the Corporation (the "**Series 2021-A Preferred Shares**") (or cash in the amount of the subscription price for the Series 2021-A Preferred Shares provided by the Corporation, which is to be used by the Holding Trust Trustee to subscribe for such Series 2021-A Preferred Shares); (ii) cash from the redemption, or the purchase by the Corporation for cancellation, of such Series 2021-A Preferred Shares; (iii) interest earned on such Holding Trust Assets; or (iv) any combination thereof, depending on the circumstances.

The Holding Trust Trustee may hold Holding Trust Assets in respect of more than one series of subordinated notes issued by the Corporation, in which case the Holding Trust Trustee will hold such Holding Trust Assets for each such series of subordinated notes (including the Notes) separate from the Holding Trust Assets for any other series of such subordinated notes and shall deliver such Holding Trust Assets only in respect of the relevant series of such subordinated notes.

On the closing of this offering, the Holding Trust Assets in respect of the Notes are expected to consist of 600,000 Series 2021-A Preferred Shares.

Automatic Delivery:

If an Automatic Delivery Event (as defined herein) occurs, the Corporation will, no later than one Business Day after the occurrence of such Automatic Delivery Event, notify the Holding Trust Trustee of the occurrence of such Automatic Delivery Event, provided that any failure or delay by the Corporation to notify the Holding Trust Trustee of such Automatic Delivery Event shall not prevent or preclude in any manner the Holding Trust Trustee's power to deliver the Holding Trust Assets in respect of the Notes to the Noteholders in accordance with and subject to the terms of the Holding Trust Declaration of Trust and the Indenture. Following an Automatic Delivery Event, the Holding Trust Trustee will, as soon as practicable, and in any event no later than one Business Day following such Automatic Delivery Event, deliver the Holding Trust Assets in respect of the Notes to the Noteholders in accordance with and subject to the terms of the Holding Trust Declaration of Trust and the Indenture, subject to certain exceptions (the time of the delivery of the Holding Trust Assets in respect of the Notes to the Noteholders is referred to herein as, the "**Delivery Time**"). At the Delivery Time, upon such delivery, the Notes shall be immediately and automatically surrendered and cancelled, without any further action by the Noteholders, who shall thereupon automatically cease to be holders thereof and all rights of any such Noteholder as a debtholder of the Corporation shall automatically

cease. At the Delivery Time, each Noteholder will receive one Series 2021-A Preferred Share for each \$1,000 principal amount of Notes held immediately prior to the Delivery Time. Following the Delivery Time, each such Series 2021-A Preferred Share shall have a redemption price and a participation upon liquidation amount equal to \$1,000, together with all accrued and unpaid dividends on such Series 2021-A Preferred Share. The amount of any accrued and unpaid (including deferred, as applicable) interest on the Notes, if any, as at the Delivery Time will be the amount of an accrued and unpaid dividend as at the Delivery Time.

"Automatic Delivery Event" means the occurrence of any of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada); (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for the property and assets of the Corporation or any substantial part of its property and assets).

CUSIP / ISIN:	706327AK9 / CA706327AK97
Form and Denomination:	Book entry through participation in CDS
Specified Denominations:	Minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.
Use of Proceeds:	The net proceeds from this offering are expected to be used to redeem or repurchase the Corporation's outstanding Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 11 and its

Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 13, to repay other outstanding indebtedness, as well as for general corporate purposes.

Syndicate:

RBC Dominion Securities Inc. (Joint Lead & Joint Bookrunner)
CIBC World Markets Inc. (Joint Lead & Joint Bookrunner)
Scotia Capital Inc. (Joint Lead & Joint Bookrunner)
TD Securities Inc. (Joint Lead & Joint Bookrunner)
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
Peters & Co. Limited
ATB Capital Markets Inc.
J.P. Morgan Securities Canada Inc.
MUFG Securities (Canada), Ltd.
Tudor, Pickering, Holt & Co. Securities - Canada, ULC

ⁱ A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the applicable rating agency at any time.

ⁱⁱ A "**Tax Event**" means the Corporation or the Holding Trust Trustee, as the case may be, has received an opinion of independent counsel of a nationally recognized law firm in Canada or the United States experienced in such matters (who may be counsel to the Corporation) to the effect that, as a result of: (i) any amendment to, clarification of or change (including any announced prospective change) in the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada or the United States, or any political subdivision or taxing authority thereof or therein, affecting taxation; (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (each, an "**Administrative Action**"); or (iii) any amendment to, clarification of or change (including any announced prospective change) in the official position with respect to or the interpretation of any Administrative Action or any interpretation or pronouncement that provides for a position with respect to such Administrative Action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, Administrative Action, interpretation or pronouncement is made known, which amendment, clarification, change or Administrative Action is effective or which interpretation, pronouncement or Administrative Action is announced on or after the date of the issue of the Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or Administrative Action is effective and applicable) that: (a) the Corporation or the Holding Trust is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, deduction of expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by the Corporation of interest on the Notes and the deductibility of such interest) or the Series 2021-A Preferred Shares (including dividends thereon) or other assets of the Holding Trust or the Holding Trust Trustee, as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority; or (b) the Holding Trust is, or will be, subject to more than a de minimis amount of taxes, duties or other governmental charges or civil liabilities.

ⁱⁱⁱ A "**Rating Event**" means the amount of equity credit assigned to the Notes by DBRS, S&P or any other designated rating organization (as defined in National Instrument 44-101 – *Short Form Prospectus Distributions* ("**NI 44-101**")), as applicable, has been reduced due to an amendment to, clarification of or change in, the methodology or criteria employed by DBRS, S&P or any other designated rating organization (as defined in NI 44-101), as applicable, for the purposes of assigning equity credit to securities such as the Notes that was effective on the date on which such equity credit was initially assigned to the Notes.