

**INTER PIPELINE LTD.  
ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE  
TERMS OF REFERENCE**

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**ESTABLISHMENT OF ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE**

A committee of the Board of Directors of Inter Pipeline Ltd. (the “Company”) to be known as the “Environmental, Health and Safety Committee” is hereby established.

**MEMBERSHIP**

The Committee shall consist of not less than three directors, a majority of whom are: (i) resident Canadians (as defined in the Alberta Business Corporations Act) and (ii) independent directors within the meaning of the current definition of such term prescribed by the Toronto Stock Exchange and any regulatory body having jurisdiction over the Company.

**MANDATE**

**1. General Mandate**

The mandate of the Committee is to assist the Company’s Board of Directors (the “Board”) in fulfilling its oversight responsibilities in relation to the development, implementation and monitoring of the Company’s environmental, health and safety (“EH&S”) and asset integrity programs, including those of all subsidiary entities of the Company. The Committee ensures timely review of EH&S information provided to the Committee by management and is responsible for reporting relevant EH&S and related information to the Board.

**2. Specific Mandate**

I. The Committee shall:

a) Focus on EH&S aspects of the Company’s activities and the activities of its subsidiaries, including monitoring the Company’s and subsidiaries’ compliance with applicable EH&S legislation, conformity with industry standards and effectiveness in preventing or mitigating losses. Specific operational focus areas will include, but not be limited to, the following:

i. Reviewing, and monitoring performance in relation to, the following:

- a. Regulatory compliance programs;
- b. Health, safety, and environmental programs;
- c. Asset integrity and reliability programs;
- d. Environmental remediation programs and activities;
- e. Emergency response, emergency preparedness and security management programs;

- f. Employee training programs;
  - ii. Monitoring agreed upon EH&S metrics and indicators; and
  - iii. Reviewing with management its response to significant EH&S incidents;
  - b) Advising and making recommendations to the Board, as appropriate, on significant EH&S or asset integrity issues, existing or emerging, in a timely manner;
  - c) Annually reviewing and updating, if required, the Company's EH&S Policy, Values and Commitments; and
  - d) Reviewing all EH&S related information to be included in the Company's Annual Reports, Annual Information Form and Information Circular.
- II. The Committee clearly places the onus on management to report EH&S and related matters that may be relevant to the Committee.

#### **ADMINISTRATIVE MATTERS**

##### **1. Appointment of Committee Members**

Members of the Committee shall be appointed annually by the Board.

##### **2. Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors.

##### **3. Committee Chair**

The Board shall appoint a Chair of the Committee. The Chair shall convene and direct meetings of the Committee and prepare and/or approve an agenda in advance of each meeting.

##### **4. Absence of Committee Chair**

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen to preside at the meeting.

##### **5. Secretary of Committee**

The Committee shall appoint a Secretary who need not be a director of the Company.

## **6. Meetings**

The Committee shall meet at least semi-annually. The Chair or any two members of the Committee may call a meeting of the Committee.

## **7. Notice of Meetings**

Notice of the time and place of every meeting shall be given in writing (including by email or by facsimile communication) to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

## **8. Quorum**

A simple majority of the members of the Committee, present in person or by telephone or other communication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum.

## **9. Voting**

Voting in respect of matters before the Committee will be by simple majority. In the case of an equality of votes, the Chair will not have a second or deciding vote.

## **10. Attendance of Non-Committee Members at Meeting**

At the invitation of the Chair of the Committee, one or more officers, employees or consultants of the Company may attend any meeting of the Committee. All directors of the Company may attend all meetings of the Committee.

## **11. Procedures, Records and Reporting**

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but generally, not later than the next meeting of the Board).

## **12. Review of Terms of Reference**

The Committee shall review its terms of reference annually or otherwise, as it deems appropriate, and propose or recommend changes to the Board.

### **13. Outside Advisors**

The Committee has the authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.