


Pembina Gas Infrastructure Inc.

TSX: PPL; NYSE: PBA

March 2023

Forward-looking Information and Non-GAAP and Other Financial Measures

This presentation contains certain forward-looking statements and forward-looking information (collectively, "forward-looking statements"), including forward-looking statements within the meaning of the "safe harbor" provisions of applicable securities legislation, that are based on Pembina's current expectations, estimates, projections and assumptions in light of its experience and its perception of historical trends. In some cases, forward-looking statements can be identified by terminology such as "expects", "estimates", "anticipates", "projects", "plans", "will", "would", "could", "potential", "continue", "commit" and similar expressions suggesting future events or future performance.

In particular, this presentation contains forward-looking statements, including certain financial outlooks, pertaining to, without limitation, the following: the anticipated benefits of the PGI transaction to Pembina, including the anticipated synergies and efficiencies and the accretion to Pembina's adjusted cash flow from operating activities per share; PGI's target leverage ratio; the expected processing capacity and utilization of PGI; the expected closing of PGI's divestiture of its 50% non-operated interest in KAPS, including the expected timing thereof; and PGI's ESG strategy, including its priorities thereunder.

The forward-looking statements are based on certain assumptions that Pembina has made in respect thereof as at the date of this presentation regarding, among other things: the ability of PGI and the purchaser to satisfy the conditions of the divestiture of PGI's 50% non-operated interest in KAPS in a timely manner and substantially on the terms agreed upon; that favourable circumstances continue to exist in respect of the operation of the assets contributed to PGI; that PGI's future results of operations will be consistent with management expectations in relation thereto; oil and gas industry exploration and development activity levels and the geographic region of such activity; prevailing regulatory, tax and environmental laws and regulations; the ability of PGI to maintain an investment grade rating; future cash flows; prevailing commodity prices, interest rates, carbon prices, tax rates and exchange rates; the availability of capital to fund PGI's future capital requirements; future operating costs; that all required regulatory approvals can be obtained on the necessary terms in a timely manner; that counterparties will comply with contracts in a timely manner; that there are no unforeseen events preventing the performance of contracts; that there are no unforeseen material costs relating to the relevant facilities which are not recoverable from customers; and maintenance of operating margins.

Although Pembina believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties that could cause actual events or results to differ materially, including, but not limited to: the ability of PGI to satisfy, in a timely manner, the conditions to closing of the divestiture of its 50% non-operated interest in KAPS; the failure to realize the anticipated benefits and/or synergies of the joint venture transaction due to integration issues or otherwise; expectations and assumptions concerning, among other things: customer demand for PGI's assets and services; commodity prices, interest rates and foreign exchange rates; planned synergies, operating and capital efficiencies and cost-savings; applicable tax laws; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; labour and material shortages; non-performance or default by counterparties to agreements entered into in respect of PGI's business; the impact of competitive entities and pricing; reliance on key relationships and agreements; reliance on third parties to successfully operate and maintain certain assets; the regulatory environment and decisions and Indigenous and landowner consultation requirements; actions by governmental or regulatory authorities, including changes in tax laws and treatment, changes in royalty rates, climate change initiatives or policies or increased environmental regulation; fluctuations in operating results; adverse general economic and market conditions in Canada, North America and worldwide, including changes, or prolonged weaknesses, as applicable, in interest rates, foreign exchange rates, commodity prices, supply/demand trends and overall industry activity levels; risks relating to the current and potential adverse impacts of the COVID-19 pandemic; lower than anticipated results of operations and cash flow accretion to Pembina from PGI; the ability to access various sources of debt and equity capital; changes in credit ratings; counterparty credit risk; technology and cyber security risks; natural catastrophes; and certain other risks and uncertainties detailed in Pembina's Annual Information Form and Management's Discussion and Analysis, each dated February 23, 2023, for the year ended December 31, 2022 (the "MD&A") and from time to time in Pembina's public disclosure documents available at www.sedar.com, www.sec.gov and through Pembina's website at www.pembina.com. This list of risk factors should not be construed as exhaustive. Readers are cautioned that events or circumstances could cause actual results to differ materially from those predicted, forecasted, or projected.

The estimates of adjusted cash flow from operating activities per share set forth in this presentation may be considered to be financial outlook for the purposes of applicable Canadian securities laws. Financial outlook contained in this presentation about prospective financial performance, financial position or cash flows (including adjusted cash flow from operating activities per share) are based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available, and which may become available in the future. These projections constitute forward-looking statements and are based on a number of the material factors and assumptions set out above. Actual results may differ significantly from the projections presented herein. See above for a discussion of the risks that could cause actual results to vary. The financial outlook contained in this presentation has been approved by management as of the date of this presentation. Readers are cautioned that any such financial outlook contained herein should not be used for purposes other than those for which it is disclosed herein. Pembina and its management believe that the financial outlook contained in this presentation has been prepared based on assumptions that are reasonable in the circumstances, reflecting management's best estimates and judgments, and represents, to the best of management's knowledge and opinion, expected and targeted financial results. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

The forward-looking statements contained in this presentation speak only as of the date hereof. Pembina does not undertake any obligation to publicly update or revise any forward-looking statements contained herein, except as required by applicable laws. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

PGI Transaction Summary

Pembina and KKR have combined their respective western Canadian natural gas processing assets into a new joint venture entity, Pembina Gas Infrastructure Inc. (“PGI”)

- Assets
  - Pembina’s field-based natural gas processing assets
  - Pembina and KKR’s interests in Veresen Midstream
  - KKR’s 49% interest in Energy Transfer Canada (“ETC”)
  - Concurrent acquisition of Energy Transfer LP’s 51% interest in ETC
- Ownership: 60% Pembina / 40% KKR
- Pembina serves as operator and manager
- Divestiture of PGI’s 50% non-operated interest in Key Access Pipeline System ("KAPS") was announced in December 2022 for $662.5mm, and is expected to close in Q2 2023

Three complementary platforms were combined to create a premier western Canadian natural gas processing entity

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PGI's Strategic Advantage

- Ability to serve customers throughout the Montney and Duvernay trends from North Central Alberta to Northeast B.C. ("NEBC")
- Efficiencies from the combination of three platforms, enabling cost reductions and an enhanced customer service offering
- Greater exposure to NEBC growth – in a capital efficient manner – through increased ownership in the Veresen Midstream assets
- Diversification of natural gas processing asset suite and customer base
- Area of mutual interest for natural gas processing in western Canada provides strong structural alignment for Pembina and KKR
- Well-capitalized entity able to pursue future opportunities in a capital efficient manner
- ESG approach will reflect leadership and commitments already demonstrated by Pembina and KKR
- Provides material cash proceeds, meaningful adjusted cash flow from operating activities per share accretion, and alignment with Pembina financial guardrails

PGI creates value for customers and owners alike

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PGI's Platform Spans the Montney and Duvernay Trends

25
processing facilities

~5 bcf/d
processing capacity

~3,350 km
gathering and transport lines

~65 percent
physical capacity utilization

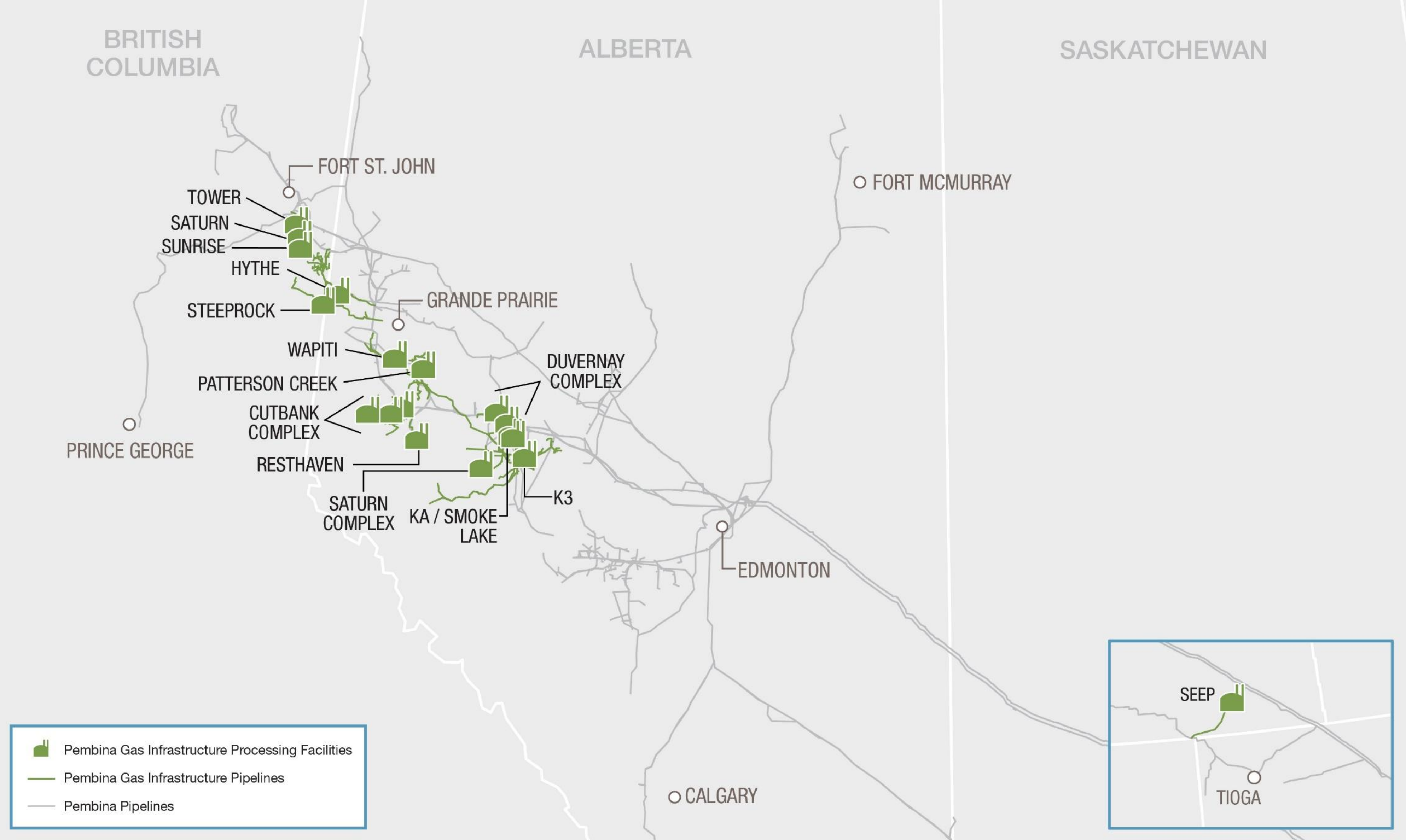
~14 years
average of contract tenures

~94 percent
of operating costs across the asset portfolio are flow-through

~80 percent
of counterparty exposure is with investment grade or secured entities

$4.6 billion
of tax pools

Note: gross to PGI



PGI Business Management

Governance

Operations

- Pembina serves as the manager and operator of PGI
- Joint venture benefits from Pembina's operating capabilities, institutional knowledge, and management systems

Area of Mutual Interest

- Governing principle = alignment
- Pembina and KKR have agreed to pursue field-based natural gas gathering and processing assets in western Canada within PGI

Other

- Certain governance and liquidity provisions including ROFO, ROFR, and tag-along provisions

Financial Guardrails

Balance Sheet

- Pembina's financial guardrails inform PGI's financing approach
- 3.5 - 4.0x target debt-to-EBITDA

PGI founded on a principle of strong alignment between its owners

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Continued ESG Leadership

PGI will adhere to, and build on, Pembina's strong program of continuously improving ESG performance and will integrate ESG considerations into its long-term business strategy

Pembina ESG Reporting and Ratings

SUSTAINALYTICS

ESG RISK RATING RANKING	Rank[1] (1st = lowest risk)	Percentile[1] (1st = lowest risk)
Refiners & Pipelines (Industry Group)	**9** out of 195	**5th**
Oil & Gas Storage and Transportation (Subindustry)	**5** out of 113	**5th**

SUSTAINALYTICS ESG INDUSTRY TOP RATED 2023

MSCI ESG RATINGS AA

CDP DISCLOSURE INSIGHT ACTION B

Initial Priorities for PGI

- Aligning with Pembina's target to achieve a 30% reduction in GHG intensity by 2030, relative to 2019 levels
- Building upon Pembina's leading safety culture
- Enhancing diversity, equity, and inclusion
- Embracing Pembina's commitment to meaningfully partnering and engaging with Indigenous communities

PGI's ESG approach will reflect leadership and commitments already demonstrated by Pembina and KKR

(1) As of March 2023.

Key Takeaways

- PGI combines three complementary platforms to create a premier, highly competitive western Canadian natural gas processing entity
- Scaled platform spanning the Montney and Duvernay trends creates value for customers and owners alike
- Founded on a principle of strong alignment between its owners
- ESG approach will reflect leadership and commitments already demonstrated by Pembina and KKR
- Transaction provided material cash proceeds, meaningful per share accretion, and aligns with Pembina financial guardrails
- Transaction provided incremental return of capital to shareholders through dividend increase and additional common share repurchases

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Pembina Accounting Treatment for Gas Processing Business

	Pre-PGI (to August 16, 2022)		Post-PGI (from August 16, 2022)	
	PPL Working Interest	Accounting Treatment	PPL Working Interest	Accounting Treatment
Cutbank, Saturn, Resthaven, Duvernay, Kakwa, SEEP	100%	Consolidated	60% *-40% change*	Equity Accounted Investment
Empress, Younger, & Burstall	100%	Consolidated	100% *no change*	Consolidated *no change*
Veresen Midstream	45%	Equity Accounted Investment	60% *+15% change*	Equity Accounted Investment *no change*
Former Energy Transfer Canada facilities	0%	n/a	60% *+60% change*	Equity Accounted Investment

	Consolidated Accounting Treatment	Equity Accounted Investment Treatment
Income Statement	Multiple lines: revenue, opex, gross profit, earnings, etc	One line: Share of Profit from Equity Accounted Investees
Balance Sheet	Multiple lines: assets, liabilities, etc.	One line: Investment in Equity Accounted Investees
Cash Flow Statement	Included in CFFO in Earnings	Included in CFFO in Distributions from Equity Accounted Investees
Volumes	Included	Included on proportionately consolidated basis
Adjusted EBITDA	Included	Included on proportionately consolidated basis

PGI is accounted for as an Equity Accounted Investment

Pembina Q3 2022 Volumes: Gas Services

Revenue Volumes (mboe/d)	Actual Results		Illustrative Scenarios for Comparability	
	Q2 2022	Q3 2022 PGI Transaction Closed August 16	Q3 2022 Assuming no PGI Transaction	Q3 2022 Assuming PGI Transaction Closed July 1
Wholly Owned Gas Processing	575	471	596 (+125 change)	348 (-123 change)
Equity Accounted Investees	89 *VMLP*	215 *Partial VMLP and PGI*	94 (-121 change) *VMLP*	333 (+118 change) *PGI*
Total Gas Services	664	686	690	681

Gross volumes at plants increased ~4% in Q3 vs Q2; PGI had minor impact on proportionately consolidated volumes

Non-GAAP and Other Financial Measures

Throughout this presentation, Pembina has disclosed certain financial measures and ratios that are not specified, defined or determined in accordance with GAAP and which are not disclosed in Pembina's financial statements. Non-GAAP financial measures either exclude an amount that is included in, or include an amount that is excluded from, the composition of the most directly comparable financial measure specified, defined and determined in accordance with GAAP. Non-GAAP ratios are financial measures that are in the form of a ratio, fraction, percentage or similar representation that have a non-GAAP financial measure as one or more of its components. These non-GAAP financial measures and ratios, together with financial measures and ratios specified, defined and determined in accordance with GAAP, are used by management to evaluate the financial performance and cash flows of Pembina and its businesses and to provide additional useful information respecting Pembina's financial performance and cash flows to investors and analysts.

The non-GAAP financial measures and ratios disclosed in this presentation do not have any standardized meaning under International Financial Reporting Standards ("IFRS") and may not be comparable to similar financial measures or ratios disclosed by other issuers. The measures and ratios should not, therefore, be considered in isolation or as a substitute for, or superior to, measures of Pembina's financial performance, or cash flows specified, defined or determined in accordance with IFRS, including cash flow from operating activities and cash flow from operating activities per share.

Except as otherwise described herein, these non-GAAP financial measures and non-GAAP ratios are calculated on a consistent basis from period to period. Specific reconciling items may only be relevant in certain periods.

Below is a description of each non-GAAP financial measure and non-GAAP ratio disclosed in this presentation, together with, as applicable, disclosure of the most directly comparable financial measure that is determined in accordance with GAAP to which each non-GAAP financial measure relates and a quantitative reconciliation of each non-GAAP financial measure to such directly comparable GAAP financial measure. Additional information relating to such non-GAAP financial measures and non-GAAP ratios, including disclosure of the composition of each non-GAAP financial measure and non-GAAP ratio, an explanation of how each non-GAAP financial measure and non-GAAP ratio provides useful information to investors and the additional purposes, if any, for which management uses each non-GAAP financial measure and non-GAAP ratio; an explanation of the reason for any change in the label or composition of each non-GAAP financial measure and non-GAAP ratio from what was previously disclosed and a description of any significant difference between forward-looking non-GAAP financial measures and the equivalent historical non-GAAP financial measures, is contained in the "Non-GAAP & Other Financial Measures" section of the MD&A, which information is incorporated by reference in this presentation. The MD&A is available on SEDAR at www.sedar.com, EDGAR at www.sec.gov and Pembina's website at www.pembina.com.

Non-GAAP and Other Financial Measures

Adjusted Cash Flow From Operating Activities and Adjusted Cash Flow From Operating Activities per Common Share

Adjusted cash flow from operating activities is a non-GAAP measure which is defined as cash flow from operating activities adjusting for the change in non-cash operating working capital, adjusting for current tax and share-based compensation payment, and deducting preferred share dividends paid. Adjusted cash flow from operating activities deducts preferred share dividends paid because they are not attributable to common shareholders. The calculation has been modified to include current tax and share-based compensation payment as it allows management to better assess the obligations discussed below.

The most directly comparable GAAP measure is cash flow from operating activities.

Management believes that adjusted cash flow from operating activities provides comparable information to investors for assessing financial performance during each reporting period. Management utilizes adjusted cash flow from operating activities to set objectives and as a key performance indicator of the Company's ability to meet interest obligations, dividend payments and other commitments.

Adjusted cash flow from operating activities per common share is a non-GAAP ratio which is calculated by dividing adjusted cash flow from operating activities by the weighted average number of common shares outstanding.

($ millions, except as noted)	Notes	Year Ended December 31, 2022
Cash flow from operating activities		2,929
Change in non-cash operating working capital		(177)
Current tax expense		(227)
Taxes paid, net of foreign exchange		334
Accrued share-based payment expense		(117)
Share-based compensation payment		45
Preferred share dividends paid		(126)
Adjusted cash flow from operating activities	A	2,661
Weighted Average Shares (Basic) (million)	B	553
Adjusted cash flow from operating activities per common share – basic (dollars) ($)	=A/B	4.82

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