



VERESEN INC.

AUDIT COMMITTEE

WHISTLEBLOWING PROCEDURES

Procedures for Receipt, Retention and Treatment of Complaints Relative to Accounting, Internal Accounting Controls or Auditing Matters

Purpose

It is the responsibility of the Audit Committee (the "**Audit Committee**") of the Board of Directors (the "**Board**") of Veresen Inc. (the "**Company**") to ensure that the Company has established appropriate procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

As a matter of sound corporate governance, these procedures are designed to provide a readily understood, prompt and effective means of addressing such complaints or concerns.

Definitions

"**Anonymous**" means unknown authorship, and without designation that might lead to information about the authorship. Anonymity is not compromised by assignment of a code or other designation with which a person can communicate without revealing their identity.

"**Complaint**" means any adverse information provided to the Company, whether in the form of a concern, a demand for remedial action, or a report of a suspected violation of law or the Company's policy, that relates to the Company's accounting, internal accounting controls or auditing matters.

"**Confidential**" means authorized for access by only those persons who have a need to know. A need to know normally arises from an obligation to investigate or to take remedial or disciplinary action.

Procedures

1. *Submission and Receipt of Complaints*

- (a) Both employees and non-employees may submit Anonymous Complaints.
- (b) CanaGlobe Compliance Solutions Inc. is an independent service provider engaged by the Company to receive and monitor Complaints. Complaints can be made through the following secure and confidential sources:
 - (i) toll free telephone and facsimile in Canada and the United States at 1-888-650-7768; and

(ii) internet submission by visiting www.canaglobecompliance.com, selecting the Whistleblowing icon located in the upper right hand corner of the page and entering the following:

- Login ID: Veresen
- Password (case sensitive): ver16i

The Chair of the Audit Committee will be notified of any Complaints by written report from CanaGlobe Compliance Solutions Inc. and is responsible for investigating and resolving all Complaints.

- (c) Employees are also free to bring Complaints to the Vice President, General Counsel & Secretary of the Company. Any Complaints so received shall be handled as Confidential and promptly forwarded to the Chair of the Audit Committee.
- (d) Complaints may also be submitted by mail (or other means of delivery) to the head office of the Company marked "Private and Confidential – Attention: Chair of the Audit Committee". Envelopes so marked shall be forwarded unopened to the Chair of the Audit Committee.
- (e) Any person making a Complaint is encouraged to provide as much specific information as possible including names, dates, places and events that took place, such person's perception of why the incident(s) may be a violation, and what action such person recommends be taken.
- (f) These procedures, including all contact information, shall be posted on the Company's website.

2. *Retention of Records of Complaints*

Records pertaining to a Complaint are the property of the Company and shall be retained:

- (a) in compliance with applicable laws and the Company's document retention policies;
- (b) subject to safeguards that ensure their confidentiality and, when applicable, the anonymity of the complainant; and
- (c) in such a manner as to maximize their usefulness to the Company's overall compliance or governance programs.

3. *Treatment of Complaints*

- (a) All Complaints, whether or not received anonymously, shall be treated as Confidential.
- (b) Although a person making an Anonymous Complaint may be advised that maintaining anonymity could hinder an investigation, the anonymity of the complainant shall be maintained, if permitted by law, until they indicate that they no longer wish to remain Anonymous. Any system established for exchanging information with a person making a Complaint shall be designed to maintain anonymity.

- (c) The Chair of the Audit Committee shall inform the Audit Committee, in summary form or otherwise, of all Complaints received, together with an initial assessment as to the treatment of each Complaint.
- (d) The assessment, investigation and evaluation of Complaints shall be conducted by, or at the direction of, the Audit Committee. As deemed appropriate by the Audit Committee, and at the Company's expense, the Audit Committee may engage independent advisors including legal counsel or auditors other than the Company's external auditor for the purpose of investigating or remediating any Complaint. All directors, officers and employees of the Company have a duty to cooperate in an investigation.
- (e) Following investigation and evaluation of a Complaint, the Audit Committee shall determine any recommended disciplinary or remedial action. Recommendations of the Audit Committee shall be brought to the Board or to the appropriate members of senior management of the Company for authorization and/or implementation. If the action taken to resolve a Complaint is deemed by the Audit Committee to be material or otherwise appropriate for inclusion in the minutes of the Audit Committee, it shall be so noted in the minutes.
- (f) The Audit Committee will regard the making of any deliberately false or malicious allegations by an employee as a serious offence which may result in recommendations to the Board or to senior management of the Company for disciplinary action including dismissal for cause and, if warranted, legal proceedings.
- (g) Treatment of Complaints shall include taking reasonable and necessary steps to prevent further similar violations.
- (h) Any effort to retaliate against any person making a Complaint in good faith is strictly prohibited and shall be reported immediately to the Chair of the Audit Committee. Any allegations regarding such retaliation will be investigated and dealt with in accordance with these procedures.

4. *Retention of Records of Complaints and Investigations*

The Chair of the Audit Committee shall maintain a record of all Complaints, tracking their receipt, investigation and resolution, and shall prepare a periodic summary report thereof for the Audit Committee. All Complaints shall be kept on file with the Chair of the Audit Committee for a minimum of 12 months and until satisfactorily resolved.

5. *Amendments*

The Company reserves the right to modify or amend these procedures at any time, as it may deem necessary.