



CORPORATE GOVERNANCE COMMITTEE

CHARTER

I. PURPOSE AND MANDATE

The Corporate Governance Committee (the "**Committee**") shall, in addition to any other duties and responsibilities specifically delegated to it by the board of directors (the "**Board**" or the "**Board of Directors**") of Sinopec Canada and its Canadian affiliates (Sinopec Canada Energy Ltd., Sinopec Daylight Energy Ltd., SinoCanada Petroleum Corporation and 1527203 Alberta Ltd.) (collectively, "**Sinopec Canada**" or the "**Company**"), generally assume responsibility for developing the approach of Sinopec Canada to matters concerning corporate governance and, from time to time, shall review and make recommendations to the Board of Directors as to such matters. Specifically, the Committee will have the authority and responsibility for:

1. Corporate Governance Matters

- (a) reviewing and periodically updating (as required) the terms of reference, mandates, charters and policies of the Board of Directors and its committees and recommend to the Board of Directors such amendments to those mandates as the Committee believes are necessary or desirable;
- (b) considering and, if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;
- (c) reviewing on a periodic basis the director and/or officer positions or other material relationships of directors of the Company with other reporting issuers, and any private issuers engaged in the natural resources business (including exploration and production, midstream and services entities) in order to effectively identify and manage potential conflicts of interest as they may arise from time to time;
- (d) preparing and recommending to the Board annually a statement of compliance with any undertakings given to the Minister responsible under the *Investment Canada Act*;
- (e) reviewing and, as deemed appropriate in the Committee's discretion, approving or denying requests made by employees and officers of the Company for permission to act as an officer or director of any reporting issuer or any private issuer engaged in the natural resources business (including exploration and production, midstream and services entities), as required by the code of business conduct and ethics (the "Code");
- (f) reviewing on a periodic basis the composition of the Board and ensuring that an appropriate number of independent directors sit on the Board of Directors, analyzing the needs of the Board and recommending nominees who meet such needs, in particular with reference to the undertakings given to the Minister responsible under the *Investment Canada Act*;

- (g) assessing the effectiveness of the Board and its committees in fulfilling the mandate of the Board;
- (h) implementation of an orientation and education program for new recruits to the Board of Directors;
- (i) review the Directors and Officers insurance policy and recommend appropriate coverage levels;
- (j) when required, establish, review and update periodically (as required) the Code and review the system that management has established to monitor compliance with the Code;
- (k) review management's monitoring of Sinopec Canada's compliance with the Code; and
- (l) review and monitor Sinopec Canada's compliance with any undertakings given to the Minister responsible under the *Investment Canada Act*.

2. Board Composition

- (a) Consider from time to time the appropriate size, composition, profile and level of fees of the Board and committees thereof, and submit recommendations for Board consideration and decision, taking account of the criteria for being a director of the Company; and
- (b) Make recommendations relative to the composition of the various committees of the Board.

3. Administrative Matters

The following general provisions shall have application to the Committee:

- a) A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference;
- b) Any members of the Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board of Directors may fill vacancies on the Committee by appointment from among the members of the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Committee shall hold such office until the close of the next annual meeting of shareholders following appointment as a member of the Committee;
- c) The Committee may invite such officers, directors and employees of Sinopec Canada as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
- d) The time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be

determined by the Committee, unless otherwise determined by the by-laws of the Company or by resolution of the Board of Directors;

- e) Unless otherwise designated by the Board of Directors, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman; and
- f) Minutes of the Committee will be recorded and maintained and upon request shall be circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board of Directors.