



## MANDATE OF THE BOARD OF DIRECTORS

### I. GENERAL

The Board of Directors (the "**Board**") 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**") is responsible for the stewardship of the Company. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Company. In general terms, the Board will:

- in consultation with the Chief Executive Officer of Sinopec Canada (the "**CEO**"), define the principal objectives of the Company;
- supervise the management of the business and affairs of the Company with the goal of achieving the Company's principal objectives;
- discharge the duties imposed on the Board by applicable laws; and
- for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

### II. SPECIFIC

#### 1. Executive Team Oversight

- a) Approve the appointment of the CEO and executive officers and approve their compensation;
- b) In conjunction with the CEO, develop a clear mandate for the CEO, which includes a delineation of management's responsibilities;
- c) Evaluate the CEO at least annually;
- d) Monitor overall human resource policies and procedures, including compensation and succession planning;
- e) Approve the establishment of limits of authority delegated to management; and
- f) Generally provide advice and guidance to management.

#### 2. Operational Effectiveness and Financial Reporting

- a) Annual review and adoption of a strategic planning process and approval of the Company's strategic plan, which takes into account, among other things, the opportunities and risks of the business;
- b) Ensure that a system is in place to identify the principal risks to the company and that the best practical procedures are in place to monitor and mitigate the risks;
- c) Ensure that processes are in place to address applicable regulatory, corporate and other compliance matters;
- d) Ensure that an adequate system of internal controls exists;
- e) Ensure that due diligence processes and appropriate controls are in place with respect to

applicable certification requirements regarding the Company's financial and other disclosures;

- f) Review and approve the Company's financial statements and oversee the Company's compliance with applicable audit, accounting and reporting requirements;
- g) Approve annual capital budgets;
- h) Review progress towards the achievement of goals established in strategic, operating and capital plans.

3. Integrity/Corporate Conduct

- a) Approve a Code of Business Conduct and Ethics ("**Code**") for directors, officers, employees, contractors and consultants and monitor compliance with the Code and approve any waivers of the Code for officers and directors;
- b) To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of the Company and that the CEO and other executive officers create a culture of integrity throughout the Company; and
- c) Establish processes to approve any officers of the Company serving or acting as an officer or director of any other reporting issuer or any private issuer engaged in the natural resources business (including exploration and production, midstream and services entities).

4. Board Process/Effectiveness

- a) Ensure that Board materials are distributed to directors in advance of regularly scheduled meetings to allow for sufficient review of the materials prior to the meeting. Directors are expected to attend all meetings;
- b) Ensure that the appropriate number of independent and Canadian directors are members of the Board as required under applicable legal requirements;
- c) Establish an appropriate system of corporate governance including practices to ensure the Board functions independently of management;
- d) Establish committees and approve their respective mandates and the limits of authority delegated to each committee;
- e) Review and re-assess the adequacy of the mandate of the committees of the Board on a regular basis;
- f) Review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director;
- g) Each member of the Board is expected to understand the nature and operations of the Company's business, and have an awareness of the political, economic and social trends prevailing in all regions in which the Company invests, or is contemplating potential investment; and

h) In addition to the above, adhere to all other Board responsibilities as set forth in applicable policies and practices and other statutory and regulatory obligations is expected.

**III. AUTHORITY AND MEETINGS**

- The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.
- Minutes of each meeting shall be prepared by the Corporate Secretary.
- The Board shall meet at least four times per year and/or as deemed appropriate by the Chair.
- The Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Sinopec Canada.
- The Board shall meet at the end of its regular meetings without members of management being present.