

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE ROADMAP

Governance Leadership								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
1.	Take a leadership role in developing Nexen's approach to corporate governance.	√	√	√	√	√		<ul style="list-style-type: none"> All regular - All documents received and Committee actions support this requirement
2.	Annually review and assess the performance of Nexen's corporate governance systems and, in the Committee's discretion, recommend any changes to the Board for consideration.				√		√	<ul style="list-style-type: none"> October – Review governance documents (from Governance Office) Ad Hoc - Receive rating / governance agency updates (from Governance Office)
3.	Establish appropriate structures and processes for the Board so that it can function independently of Management.				√			<ul style="list-style-type: none"> Mandates provide for in camera sessions October – Annually review Mandates (from Governance Office)
4.	Take all reasonable steps to establish systems to verify compliance with all regulatory, corporate governance and disclosure requirements.	√	√	√	√	√		<ul style="list-style-type: none"> All regular - Review Corporate Governance and Securities Regulatory Update (from Legal)

Ethics Policy								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
5.	Review and, in the Committee's discretion, recommend to the Audit and Conduct Review Committee and the Board for consideration the Ethics Policy including procedures for (i) the receipt, retention, and treatment of complaints received by Nexen regarding accounting, internal accounting and financial reporting controls, or auditing matters; (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and, (iii) addressing a reporting attorney's report of a material breach of securities law, material breach of fiduciary duty or similar material violation.				√			<ul style="list-style-type: none"> October – Review and recommend Ethics Policy to Audit and Conduct Review Committee and Board (from Legal / Integrity Resource Centre)

Governance Documents								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
6.	Regularly review Nexen's Articles and By-Laws and, in the Committee's discretion, recommend any changes to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc - Review and recommend constating documents to Board (from Legal)
7.	Once or more annually, as the Committee decides, review and assess Nexen's Corporate Governance Policy and, in the Committee's discretion, recommend any changes to the Board for consideration.				√			<ul style="list-style-type: none"> October - Review and recommend Corporate Governance Policy to Board (from Governance Office)
8.	Once or more annually, as the Committee decides, review and assess Nexen's Ethics Policy and, in the Committee's discretion, recommend any changes to the Audit and Conduct Review Committee and the Board for consideration.				√	√		<ul style="list-style-type: none"> October – Review Ethics Policy (memo from Legal and revised Ethics Policy) December - Recommend any changes to the Audit and Conduct Review Committee and the Board (memo from Legal and revised Ethics Policy)
9.	Regularly review, assess and, if appropriate, revise the Annual Director's Evaluation Questionnaire for the evaluation of: the performance of individual Directors, Board Committees, the Board, Committee Chairs and the Board Chair measured against applicable Position Descriptions and Mandates; the skills of each individual Director and the Board as a whole; the financial competency or expertise of each individual Director; and, the independence of each individual Director.				√			<ul style="list-style-type: none"> October - Review and approve any changes to the Annual Director's Evaluation Questionnaire (memo from Governance Office and revised Annual Director's Evaluation Questionnaire)
10.	Once or more annually, as the Committee decides, review and assess the Position Descriptions for the Board Chair, each Committee Chair, the Chief Executive Officer, the Chief Financial Officer and the Secretary and, in the Committee's discretion, recommend any changes to the Board for consideration.				√			<ul style="list-style-type: none"> October - Review Position Descriptions and recommend any changes to the Board (memo from Governance Office and revised Position Descriptions)

Governance Documents								
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11.	Once or more annually, as the Committee decides, review and assess the Mandates for the Board, each Board Committee Chair and individual Directors and, in the Committee's discretion, recommend any changes to the Board Committees and / or Board, as applicable, for consideration.				√			<ul style="list-style-type: none"> October – Review and recommend Mandates to Committees / Board (from Governance Office)
12.	Once or more annually, as the Committee decides, review the Categorical Standards and, in the Committee's discretion, recommend any changes to the Board for consideration.	√						<ul style="list-style-type: none"> February or other - Review and recommend Categorical Standards to Board (from Legal / Governance Office)
13.	Receive regular reports from the Secretary of any minor technical amendments made to any of the corporate governance documents set out in this section.						√	<ul style="list-style-type: none"> Ad Hoc - Receive report of Governance Office

Governance Disclosure								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
14.	Take all reasonable step to provide that Nexen's governance practices be fully disclosed in the Proxy Circular.	√						<ul style="list-style-type: none"> February - Review and approve annual governance disclosure (from Governance Office)
15.	Take all reasonable steps to provide that Nexen's governance documents, specifically including the Corporate Governance Policy, the Ethics Policy, the Categorical Standards, the annual Proxy Circular, and all Mandates and Position Descriptions set out in this Mandate, be published on Nexen's website and are made available to any shareholder on request.	√						<ul style="list-style-type: none"> February - Review annual governance disclosure (from Governance Office)

Evaluations								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
16.	Establish and implement procedures to evaluate the performance and effectiveness of the Board, Board Committees, all individual Directors, the Board Chair and Committee Chairs.				√			<ul style="list-style-type: none"> October - Review and approve Director's Annual Evaluation Questionnaire and process (from Governance Office)
17.	Provide for the completion and dissemination of the results of the Annual Directors' Evaluation Questionnaire for the performance and effectiveness of the Board, Board Committees, all individual Directors, the Board Chair and Committee Chairs, including individual Director self-evaluations; individual Director independence; individual Director and overall Board skills and competencies; individual Director financial acumen; and individual Director peer evaluations.	√			√	√		<ul style="list-style-type: none"> Between October and December meetings - distribute Annual Board Evaluation for completion (from Governance Office) December – Distribute Independence, Skills, and Financial Expertise Evaluation Questionnaire for completion (from Governance Office) February - Report on Director evaluation results (from Committee Chair)
18.	Oversee the evaluation of Management by the Compensation and Human Resources Committee.				√			<ul style="list-style-type: none"> October - Review Compensation and Human Resources Committee Mandate (from Governance Office)

Directors Nominations and Resignations								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
19.	Annually review and assess the size, composition and operation of the Board to ensure effective decision-making and, in the Committee's discretion, make recommendations to the Board for consideration.	√						<ul style="list-style-type: none"> February - Review director nominees to Board (from Governance Office)
20.	After consulting with the Board Chair and individual Directors, annually review and assess the size, composition and Chairs of all Board Committees and the Board and, in the Committee's discretion, make recommendations to the Board for consideration.		√					<ul style="list-style-type: none"> April - Review and recommend composition and Chairs for Committees and the Board to Board (from Governance Office / Committee Chair)
21.	Regularly review successors for the Board Chair and the Board Committee Chairs, and in the Committee's discretion, make recommendations to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc – Review and recommend successors for the Board Chair and Board Committee Chairs (from Governance Office)
22.	Identify and assess new candidates for appointment or nomination to the Board, including any nominee appropriately recommended by a shareholder, considering the performance, independence, competencies, skills, financial acumen, and ability to devote sufficient time and resources to his or her duties of the candidate and the Board, as a whole, to ensure effective governance and satisfy applicable law and, in the Committee's discretion, make recommendations to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc - Review and recommend new directors to Board (from Governance Office)
23.	Annually review and, in the Committee's discretion, recommend to the Board for consideration the individual Directors proposed to be nominated for election at the next annual general meeting of shareholders.	√						<ul style="list-style-type: none"> February - Review and recommend director nominees to Board (from Governance Office)

Directors Nominations and Resignations								
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24.	Annually review and, in the Committee's discretion, recommend to the Board for consideration those individual Directors to be designated as independent under the Categorical Standards and those individual Directors to be designated as audit committee financial experts under applicable law.	√						<ul style="list-style-type: none"> February - Review and recommend independent directors and financial experts to Board (from Governance Office)
25.	Regularly review and assess Nexen's policies on tenure and terms of individual Directors, the Board Chair and Committee Chairs and, in the Committee's discretion, recommend any changes to the Board for consideration.				√			<ul style="list-style-type: none"> October - Review and recommend Corporate Governance Policy to Board (from Governance Office)
26.	Regularly review and assess Nexen's policies on attendance and material change in employment or health status of individual Directors and, in the Committee's discretion, recommend any changes to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc – Review and recommend attendance and material change in employment or health status policies to Board (from Governance Office)
27.	Review the circumstances of any Director's material change in employment or health status, and make a recommendation to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc – Review and recommend circumstances of any Director's material change in employment or health status to Board (from Governance Office)
28.	Review the appropriateness of any Director resignation submitted as a result of a failure to receive a majority vote at the annual general meeting of shareholders according to Nexen's By-Laws, and make a recommendation to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc – Review and recommend any Director resignation to Board (from Governance Office)
29.	Review the circumstances that prevented a Director from achieving the minimum attendance level and report to the Board.						√	<ul style="list-style-type: none"> Ad Hoc – Review and report the circumstances of a Director not achieving the minimum attendance level to Board (from Governance Office)

Share Ownership Policies								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
30.	Periodically review the policy on mandatory share ownership for directors and, in the Committee's discretion, recommend any changes to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc - Review and recommend director share ownership policy to Board (from Governance Office)
31.	Periodically review the policy on mandatory share ownership for executive Management and, in the Committee's discretion, recommend any changes to the Board for consideration.						√	<ul style="list-style-type: none"> Ad Hoc - Review and recommend management share ownership policy to Board (from Governance Office / Human Resources)

Director Orientation / Education								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
32.	Oversee the development and implementation of the Director orientation program including: a complete business overview; a strategic overview; an overview of Nexen's values and operating philosophies; and, an overview of Nexen's activities and commitments to Corporate Social Responsibility.						√	<ul style="list-style-type: none"> Ad Hoc - Review or participate in orientation program for new directors (through Governance Office / Corporate Planning)
33.	Oversee the development, implementation and disclosure of the ongoing Director education program including: education sessions on Nexen's business by way of presentations and operating site visits; individual and / or group education sessions from internal personnel or external consultants on topics of importance to Directors and Nexen; and, recommended formal educational opportunities through appropriate organizations to be made available to individual Directors and paid for by Nexen.	√	√					<ul style="list-style-type: none"> February - Review annual disclosure in Proxy Circular (from Governance Office) April - Review ongoing Director education program (from Governance Office)

Committee Reporting								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
34.	Following each Committee meeting, report to the Board on the activities, findings and any recommendations of the Committee.	√	√	√	√	√	√	<ul style="list-style-type: none"> All regular and Ad Hoc - Committee Chair report to Board
35.	Annually review and approve the Committee's report for inclusion in the Proxy Circular.	√						<ul style="list-style-type: none"> February - Review and approve Committee report (from Governance Office)

Committee Meetings								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
36.	Meet at least four times annually and as many additional times as needed to carry out its duties effectively. The Committee may, on occasion and in appropriate circumstances, hold a meeting by telephone conference call.	√	√	√	√		√	<ul style="list-style-type: none"> • Regular meetings in February, April, July and October • Ad Hoc meetings at the Committee's discretion
37.	Meet in separate, non-management, closed sessions with internal personnel or outside advisors, as needed or appropriate.						√	<ul style="list-style-type: none"> • Ad Hoc - Closed session with internal personnel or outside advisors
38.	Meet in separate, non-management, in camera sessions at each regularly scheduled meeting.	√	√	√	√	√		<ul style="list-style-type: none"> • All regular - In camera session

Advisors / Resources								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
39.	Have sole authority to retain, oversee, compensate and terminate independent advisors who assist the Committee in its activities.						√	• Ad Hoc - Authorized by Mandate (through Governance Office)
40.	Receive adequate funding from Nexen for independent advisors and ordinary administrative expenses that are needed or appropriate for the Committee to carry out its duties.						√	• Ad Hoc - Authorized by Mandate (through Governance Office)
41.	In consultation with the Board Chair, retain, oversee, compensate and terminate, as appropriate, independent advisors to assist any individual Director as necessary.						√	• Ad Hoc - Consult with Board Chair (through Governance Office)

Other								
Item	Mandate Requirement(s)	Feb. Q4	Apr. Q1	July Q2	Oct. Q3	Dec.	Ad Hoc	Meeting / Document / Action Required (Responsible Group)
42.	Carry out any other appropriate duties and responsibilities assigned by the Board.						√	• Ad Hoc - Authorized by Mandate
43.	To honor the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this Mandate is delegated to the Secretary, who will report any amendments to the Committee at its next meeting.						√	• Ad Hoc - Receive report of Governance Office