



## **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE MANDATE**

The Nominating and Corporate Governance Committee (the "Committee") is a committee of the Board of Directors (the "Board") of Cenovus Energy Inc. ("Cenovus" or the "Corporation"). Its primary function is to assist the Board in carrying out its responsibilities by reviewing corporate governance and nomination issues and making recommendations to the Board as appropriate. In particular, the Committee is responsible for identifying individuals qualified to become Board members, recommending to the Board proposed nominees for election to the Board at the next annual meeting of shareholders, and developing and recommending to the Board corporate governance principles applicable to Cenovus.

### **CONSTITUTION, COMPOSITION AND DEFINITIONS**

#### **1. Reporting**

The Committee shall report to the Board.

#### **2. Composition of Committee**

The Committee shall consist of all of the outside directors, all of whom shall qualify as independent directors pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (as implemented by the Canadian Securities Administrators and as amended from time to time). The Committee shall also have a Vice-Chairman. Committee members will include only duly-elected directors. At the request of the Committee, certain members of Cenovus's senior management and others may attend Committee meetings on an ad hoc or a regular basis.

#### **3. Appointment of Committee Members**

Members of the Committee shall be appointed by the Board, effective after the election of directors at the annual meeting of shareholders, provided that any member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board.

The Chairman of the Human Resources and Compensation Committee shall be a member of the Nominating and Corporate Governance Committee to ensure adequate liaison between the two Committees.

#### **4. Chairman**

The Committee will recommend an unrelated Director to act as Chairman of the Committee to the Board for approval. The Board shall appoint the Chairman of the Committee.

If the Chairman of the Committee is unavailable or unable to attend a meeting of the Committee, the Chair shall ask another member to chair the meeting, failing which a member of the Committee present at the meeting shall be chosen to preside over the meeting by a majority of the members of the Committee present at such meeting.

The Chairman presiding at any meeting of the Committee shall have a casting vote.

The items pertaining to the Chairman in this section should be read in conjunction with the Committee Chair section of the *Chair of the Board of Directors and Committee Chair General Guidelines*.

**5. Vice-Chairman**

The Vice-Chairman shall have the responsibility of chairing a meeting of the Committee where the performance of the non-executive Board Chairman is reviewed.

**6. Secretary**

The Committee shall appoint a Secretary who need not be a member of the Committee or a Director of Cenovus. The Secretary shall keep minutes of the meetings of the Committee.

**7. Committee Meetings**

The Committee shall meet at least semi-annually at the call of the Chairman. In addition, a meeting may be called by the non-executive Board Chairman, the President & Chief Executive Officer, or any member of the Committee.

Committee meetings may be held in person, by video conference, by means of telephone or by a combination of any of the foregoing.

**8. Notice of Meeting**

Notice of the time and place of each meeting may be given orally, or in writing, or by facsimile, or by electronic means to each member of the Committee at least 24 hours prior to the time fixed for such meeting.

A member may in any manner waive notice of the meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

**9. Quorum**

A majority of Committee members, present in person, by video conference, by telephone or by any combination thereof shall constitute a quorum. In addition, if an ex officio, non-voting member's presence is required to attain a quorum of the Committee, then the said member shall be allowed to cast a vote at the meeting.

**10. Attendance at Meetings**

The President & Chief Executive Officer is expected to be available to attend meetings or portions thereof.

The Committee may, by specific invitation, have other resource persons in attendance.

The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

**11. Minutes**

Minutes of Committee meetings shall be sent to all Committee members. The full Board of Directors shall be kept informed of the Committee's activities by a report following each Committee meeting.

**12. Specific Responsibilities**

In carrying out its mandate, the Committee is expected to:

- (a) Approve succession planning for the President & Chief Executive Officer;
- (b) Approve suitable candidates for nomination for election as directors.
  - (i) Consider the competencies and skills the Board as a whole, should possess.
  - (ii) Formulate criteria for candidates after considering the competencies and skills of each existing director.
  - (iii) Consider the competencies and skills of each new nominee and whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.
  - (iv) Establish the procedure for approaching prospective candidates.
  - (v) Canvas current Board members for suggestions for candidates.
  - (vi) Maintain a checklist of potential candidates.
  - (vii) Give consideration to an appropriate size for the Board for the ensuing year.
  - (viii) Approve proposed nominees for election to the Board at the next annual meeting of shareholders and to fill any vacancies in the intervening period;
- (c) Review the recommendation of the non-executive Board Chairman and the President & Chief Executive Officer with respect to Committee membership and approve the assignment of members to each Committee of the Board;
- (d) Provide a copy of the Committee Chair General Guidelines to each Committee Chair;
- (e) Review on a periodic basis the mandates of the Committees of the Board and make recommendations, as deemed appropriate, with respect to such mandates;
- (f) Review the relationship between management and the Board and make recommendations with respect to such relationship where and when it is deemed appropriate;
- (g) Oversee the evaluation of, assess and consider the effectiveness of the Board as a whole, the Committees of the Board and the contribution of individual members on a periodic basis;
- (h) Generally discuss with the President & Chief Executive Officer before making any approvals, except where the Committee deems it inappropriate or not in Cenovus's best interests to do so;
- (i) Be available as a forum for addressing the concerns of individual directors;
- (j) Prepare annually, for disclosure to shareholders, a report that describes Cenovus's corporate governance practices;
- (k) Review, from time to time, the retirement age for directors, if any;
- (l) From time to time, consider, develop, recommend and approve, any corporate governance issues or principles for review, discussion or action by the Board or a committee thereof;

- (m) Ensure that any issues relating to governance that are identified by the directors are raised with management;
- (n) Provide orientation and an education program for new Board and Committee members and for the continued development of existing members of the Board;
- (o) Provide a summary of the Board member's role to each Board member; and
- (p) Evaluate the performance of the Committee annually.

**13. Miscellaneous**

The Committee, upon approval by a majority of the members of the Committee, may engage outside resources if deemed advisable.

The Committee, upon approval by a majority of the members of the Committee, may delegate its duties and responsibilities to subcommittees of the Committee.

The Committee shall have sole authority to retain and terminate any search firm to be used by the Committee or the Board to identify director candidates, including approval of the search firm's fees and other retention terms.

**The duties and responsibilities of a member of the Committee are in addition to those duties set out for a member of the Board.**

Approved: November 30, 2009