

Audit Committee Charter

Purpose

The Audit Committee is established to fulfill any obligations respecting audit committees under applicable laws and to assist the Board of Directors (the “Board”) of NOVA Chemicals Corporation (the “Company”) in fulfilling its oversight responsibilities with respect to financial reporting, including responsibility for (1) the integrity of the Company's financial statements, (2) the Company's compliance with ethics policies and legal and regulatory requirements, (3) the external auditor's qualifications and independence, (4) the performance of the Company's internal and external auditors, (5) the financial reporting process, (6) the Company's internal control systems and financial disclosure controls, (7) risk management, and (8) retirement plans. The Audit Committee will also prepare or cause to be prepared any reports as may be required by law or regulation.

Authority

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to and shall, as required:

- Oversee the work of the external auditor engaged by the Company's shareholder(s) to conduct the annual audit and any interim review procedures required or requested. If required by applicable law, the external auditor shall report directly to the Audit Committee.
- Resolve any disagreements between management and the external auditor regarding financial reporting.
- Pre-approve the scope and related fees for all auditing and permitted non-audit or tax services performed by the external auditor for the Company or its subsidiaries according to applicable professional standards of accounting and auditing.
- Retain (and set and pay the compensation for) independent counsel, accountants or others to advise the Audit Committee or assist in investigations. The Audit Committee shall receive appropriate funding from the Company, as determined by the Audit Committee, for the payment of compensation to any outside counsel or any other advisors to the Audit Committee.
- Communicate directly with the internal and external auditors and meet with the Company officers or outside counsel, as necessary and as determined by the Board.

Composition

The Audit Committee will consist of at least three members, all of whom are directors who are appointed by the Board. The Board will appoint the Chairman of the Audit Committee and may appoint a Vice Chairman. All Audit Committee members shall be financially literate. If required under applicable laws, at least one member of the Audit Committee shall be a “financial expert” as defined by applicable legislation and regulation with extensive accounting and/or related financial management expertise, such that he/she understands generally accepted accounting principles (GAAP), including the main principles of International Financial Reporting Standards (IFRS), and has the ability to assess the application of these principles in connection with accounting estimates, accruals and reserves. Each member shall be “independent” if required under applicable laws, subject to any exemptions which may be available thereunder.

The Chairman shall: (i) review and approve the agenda for each meeting of the Audit Committee and, as appropriate, consult with members of management; (ii) preside over meetings of the Audit Committee; (iii) report to the Board on the activities of the Audit

Committee relative to its recommendations, resolutions, actions, and concerns, and (iv) meet as necessary with the internal and external auditors. The Audit Committee shall also appoint a Secretary who need not be a director. The Secretary shall prepare minutes of the meetings of the Audit Committee.

Meetings

The Audit Committee will meet at least quarterly with authority to convene additional meetings as circumstances require. Notice of the time and place of every meeting must be given in writing (which may be by e-mail) to each member of the Audit Committee at least 24 hours prior to the Audit Committee meeting. A member may waive notice of a meeting, and attendance at the meeting is a 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 is not lawfully called. A meeting of the Audit Committee may be called by the Secretary of the Audit Committee on the direction of any member of the Audit Committee or the Chief Executive Officer of the Company ("CEO"). If the Chairman of the Audit Committee is not present at any meeting of the Audit Committee, the Vice Chairman of the Audit Committee shall chair the meeting. If the Chairman and the Vice Chairman are not present or if there is no person appointed as Vice Chairman of the Audit Committee, the chairman of the meeting shall be chosen by the Audit Committee from the Audit Committee members present.

All Audit Committee members are expected to attend each meeting, in person or via teleconference or videoconference. A quorum for meetings is two members, present in person, or by telephone or other telecommunication device that permits all persons participating in the meeting to communicate with each other. The Company's CEO and/or its Chief Financial Officer ("CFO") will attend all meetings. The external auditor will attend at least one meeting a year and will attend other meetings at the Audit Committee's direction. The Audit Committee will invite members of management or others to attend meetings and provide information as necessary. Meeting agendas will be prepared and provided in advance to members along with appropriate briefing materials.

Non-Audit Services

The Audit Committee must pre-approve the scope and related fees for all permitted non-audit or tax services performed by the external auditor for the Company or its subsidiaries according to applicable professional standards of accounting and auditing. Unless otherwise approved by Mubadala Investment Company PJSC ("MIC"), the aggregate amount of fees paid to the external auditor for permitted non-audit and tax services in any financial year must not be greater than 50% of the average annual amount of fees paid over the last three consecutive financial years for the Company's annual audit.

Prohibited Services

The Company may not under any circumstances engage the external auditor to provide any service that is prohibited by applicable law or regulation. The external auditor may not provide prohibited non-audit or tax services during the period from the date of appointment for the annual audit up to the date of release of the relevant audit report. The following is a list of prohibited non-audit and tax services:

- Bookkeeping or other services related to accounting records or financial statements of the Company;
- Financial information systems design and implementation;
- Appraisal or valuation services, fairness opinions, or contribution in-kind reports;
- Actuarial services;
- Internal audit outsourcing services;
- Management or human resources functions;

- Broker or dealer, investment adviser or investment banking services;
- Legal services and expert services unrelated to the audit;
- The following tax services: preparation of tax forms; payroll tax; identification of public subsidies and tax incentives unless support of the external auditor or external audit firm in respect of such services is required by law; support regarding tax inspections by tax authorities unless the external auditor or external audit firm support in respect of such inspections is required by law; calculation of direct and indirect tax and deferred tax; and any other tax services that are deemed to be incompatible with auditor independence under applicable law, regulation or professional standard; and
- Any other service that the Audit Committee determines that in its view may compromise, or appear to compromise, the independence and objectivity of the external auditor.

Procedures

Before any appointment of the external auditor to perform permitted non-audit or tax services, the CFO and the external auditor will prepare an assessment as to whether such services are consistent with applicable laws, regulations and professional standards on auditor independence. The assessment will include: (i) the nature of the services to be provided, including appropriate details; (ii) the value and period of engagement; (iii) the availability of alternate service providers and the reasons for recommending the external auditor; (iv) the external auditor's confirmation that it is independent; and (v) any threats to the external auditor's independence and recommended safeguards to mitigate or eliminate such threats, if applicable.

Requests for approval of any permitted non-audit or tax services to be provided by the external auditor will be submitted to the Audit Committee by the CFO and will include the results of the assessment.

Monitoring and Reporting

The CFO and designees will monitor the approval and performance of any permitted non-audit or tax services to ensure that the external auditor's engagement is in compliance with this Charter. The CFO will report to the Audit Committee at least twice a year regarding compliance with the provisions of this Charter governing permitted non-audit and tax services and include in such report the details of any ongoing permitted non-audit or tax services and the amounts paid to the external auditor for such services.

Delegation

The Audit Committee delegates pre-approval authority to the Chairman to approve any one or more individual audit or permitted non-audit or tax services. The Chairman shall report any pre-approval granted at the next scheduled Audit Committee meeting. The Audit Committee does not delegate its responsibilities to pre-approve services to any member of the Company's management.

Responsibilities

The Audit Committee will carry out the following responsibilities:

Financial Statements and Disclosure

- Review and discuss with management and the external auditor and recommend for approval by the Board, the Company's annual report (including the audited annual financial statements that include matters of significant judgment having a

material impact on the financial statements, and management's discussion & analysis), any reports on adequacy of disclosure and internal controls, all financial statements in prospectuses or other securities offering documents, and any financial statements required by regulatory authorities.

- Review and discuss with management and the external auditor (if the Audit Committee determines that the external auditor will be reviewing such interim report) and approve the Company's interim reports that include the quarterly financial statements that include matters of significant judgment having a material impact on the financial statements, and management's discussion & analysis and, if applicable, press releases on quarterly and year-end financial results, prior to release.
- Review and discuss with management and approve the Company's news releases containing material Company developments, material financial information, financial outlooks or future oriented financial information, prior to release.
- Review and discuss with management and the external auditor all accounting policies and reporting issues that would have a significant effect on the Company's financial statements, and any changes to such policies and approve the adoption of new IFRS accounting standards that have a material impact on the financial statements. These policies and issues may include:
 - Complex or unusual transactions and highly judgmental areas;
 - Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; and
 - The effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
- Review analyses prepared by management and the external auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP/IFRS methods on financial statements and the accounting assumptions used for liabilities for retirement plans and post-retirement liabilities.
- Review with the external auditor the results of the audit, including any difficulties encountered. This review will include any restrictions on the scope of the external auditor's activities or on access to requested information, and any significant disagreements with the management.
- Review any disclosures made by the CEO and/or CFO that may be required by law or regulation involving significant deficiencies in the design or operation of internal controls or any fraud that involves management or other employees who have a significant role in the Company's internal controls.
- Review and discuss with management and the external auditor, and recommend for approval by the Board, any prospectuses or other securities offering documents and any material financing proposals that require approval of the Board under applicable law or the Rules of Procedure of the NOVA Management Board.
- Discuss with management any litigation, claim or other contingency (including tax assessments), that could have a material effect on the financial position, operating results, liquidity or cash flows of the Company, and the manner in which these matters have been disclosed in the financial statements.

Internal and Disclosure Controls and Risk Management

- Consider and review with management the adequacy and effectiveness of the

Company's internal control system, including information technology security and control, and risk management process.

- Provide oversight of the Company's approach to enterprise risk management, including understanding the material risks of the business and the related mitigation strategies, as well as taking reasonable steps to ensure that management has an effective risk management process in place to identify, understand and appropriately manage the risk of the business.
 - In addition, review and approve changes considered advisable, after consultation with officers of the Company, to the Company's policies relating to:
 - the derivative and hedging programs used to manage competitive and operational considerations;
 - the loss prevention policies (including insurance coverage); and
 - the risk retention philosophy and the resulting uninsured exposure of the Company.
- Understand the scope of internal and external auditors' review of internal control and obtain reports on significant findings and recommendations, together with managements' responses. Unless otherwise approved by MIC, the external auditor may not perform any internal control-related services during the financial year immediately preceding the start of the relevant audit.
- As required by applicable legislation and regulation, review the results of management's evaluation of the adequacy and effectiveness of disclosure controls and internal controls over financial reporting within the Company in connection with the certifications signed by the CEO and CFO and, if applicable, filed with securities regulators. Management's evaluation will include a review of:
 - policies and procedures to ensure completeness and accuracy of information disclosed in the quarterly and annual reports, prevent earnings management and detect financial statement misstatements due to fraud and error; and
 - internal control recommendations of the internal and external auditors, including any special steps taken to address material control deficiencies and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

Internal Audit

- Review with management and the senior executive responsible for the internal audit function the charter, plans, activities, staffing and organizational structure of the internal audit function.
- Approve whether the internal audit activity should be outsourced and if outsourced approve the supplier.
- Review and approve the annual internal audit plan and budget.
- Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the senior internal audit executive if internal audit activity is not outsourced.
- Review and discuss with management the effectiveness of the internal audit function, including audit coverage of risk and control issues deemed to be of high importance.
- On a regular basis review results of performed internal business processes audits, contract compliance audits and other audits.

- Review the significant control issues identified in internal audit reports issued to management and the responses and actions taken by management to address weaknesses in controls.

External Auditor and Annual Audit

- Review and approve the external auditor's proposed audit scope and approach, including coordination of audit efforts with internal audit and others.
- Review the performance of the external auditor, and approve the compensation of the external auditor and recommend that the shareholder(s) approve the appointment or discharge of the external auditor. In performing this review, the Audit Committee will:
 - At least annually obtain and review a report by the external auditor describing: the audit firm's internal quality assurance procedures; any material issues raised by the most recent internal quality assurance review; and the external auditor's independence in all relationships between the external auditor and the Company;
 - Take into account the opinions of management and internal audit;
 - Review and evaluate the lead partner of the external auditor; and
 - Present its conclusions with respect to the external auditor to the Board, including a report on the permitted non-audit or tax services provided by the external auditor during the year, including the amounts paid or payable for such services.
- Review and approve the rotation of the lead audit partner and the audit firm as required by law or regulation.
- If required by applicable law or regulation, establish and monitor policies for the hiring by the Company of partners, employees or former partners and employees of the present and former external auditor.
- On a regular basis meet with the external auditor to discuss matters that the Audit Committee or the external auditor believe should be discussed. The Audit Committee should also meet separately with management to discuss any issues raised by the external auditor.

Retirement Plans

- Approve the Company's Statement of Investment Principles and Beliefs and any material changes thereto and other material policies relating to the funding of the retirement plans or investment of the trust funds.
- Approve funding decisions and the investment strategy for the defined benefit retirement programs in accordance with actuarial reports and legal requirements in the applicable jurisdiction.
- Approve the appointment of auditors and approve jointly with the Remuneration Committee the appointment of actuaries and trustees for the retirement plans. For clarity, the Committee is not required to appoint the auditors, actuaries and trustees on an annual basis and incumbent auditors, actuaries and trustees shall continue in office until successors are appointed.
- Approve, jointly with the Remuneration Committee, the charter for the Pension and Savings Plans Committee and the delegation of any other responsibilities to the Pension and Savings Plans Committee that are not included in its charter.
- Review and report to the Board on the annual Pension and Savings Plans Committee report on the funding of the Company's retirement plans and the investment performance of the trust funds.

Compliance

- Obtain reports from management (who is responsible for maintaining internal controls and policies, which comply with relevant legal and regulatory requirements) on any material compliance issues and their assessment of the ethical culture.
- If required by applicable law or regulation, ensure that the Company has adopted a code of ethics for senior financial officers.
- Review, monitor and assess, on a regular basis, the adequacy of the Company's Communication and Disclosure Policy that establishes guidelines and standards for communications with the investors and the public.
- Ensure that a process and procedure has been established by the Company for receipt, retention, and treatment of complaints regarding non-compliance with the Company's Business Conduct Policy, violations of laws or regulations, or concerns regarding accounting, internal accounting controls or auditing matters. The Audit Committee must ensure that procedures for receipt of complaints allow for confidential, anonymous submission of complaints from employees.
- Discuss with management and the external auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's compliance policies.

Related Parties

- Review, approve and oversee any transaction between the Company and any related party (as defined in the Related Party Transaction Policy) and any other potential conflict of interest situations on an ongoing basis, in accordance with the Related Party Transaction Policy, other applicable Company policies and procedures and law and regulation.
- Review and discuss with the external auditor, the external auditor's evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.

Reporting Responsibilities

- Regularly report to the Board about Audit Committee activities and issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's external auditor, including approval of non-audit services, and the performance of the internal audit function.
- Provide an open avenue of communication between internal audit, the external auditor and the Board.
- Review any other reports or plans of the Company that relate to the Audit Committee responsibilities.

Other Responsibilities

- Review and discuss with the external auditor any other matters not specifically covered in this Charter but which are required to be discussed under applicable auditing standards.
- Perform other activities related to this Charter as requested by the Board.

- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Audit Committee charter annually, requesting approval from the Board for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Confirm annually that all responsibilities outlined in this Charter have been carried out.

March 14, 2019