



CORPORATE GOVERNANCE COMMITTEE MANDATE

1. Creation of Corporate Governance Committee:

Pursuant to Article Three of the General By-law No. 2 of NOVA Chemicals Corporation (the “Corporation”), a committee of the directors to be known as the “Corporate Governance Committee” (the “Committee”) is established.

2. Review and Recommend

The Committee must review and recommend for approval by the Board:

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| Corporate Governance Principles | a) | Corporate governance principles for the Corporation, which may be encompassed within the mandates of the Board and its committees and which may be amended from time to time; |
| Issues to be raised at Board Meetings | b) | Issues to be discussed at Board and Committee meetings to enable the Board to make fully informed and timely decisions; |
| Committee Mandates and Amendments | c) | The mandates of the Board Committees and any amendments thereto, as required; |
| Management/ Board Relationship | d) | Any necessary improvements in the relationship between management and the Board; |
| Candidates for Election as Directors | e) | Suitable candidates for election (by the end of December in each year) or appointment as directors, specifying the criteria on which their recommendation is based. No person may be recommended for election or appointment who is 73 years of age or older on the date of such recommendation. The Committee has sole authority to retain, terminate, and set the terms of reference of a search firm to assist in the recruitment process; |
| | i) | Representational Criteria |
| Stature and Exposure | a) | Individuals who are prominent and active in a broad variety of businesses, institutions or the professions, representative of the Corporation’s core businesses; |
| Management Representatives | b) | Representatives of the management of the Corporation; and |
| Experience | c) | Individuals having international business or professional experience; |
| | ii) | Individual Characteristics |
| Good Character | a) | Integrity, honesty, a reputation to excel and the ability to generate public confidence and maintain the goodwill and confidence of the Corporation’s shareholders whom they represent; |

Business Judgment	b)	Sound and independent business judgment;
Current Affairs	c)	Knowledge and appreciation of public issues, familiarity with local, national and international affairs; and
Good Health	d)	General good health with the capability and willingness to travel, to attend and to contribute at Board functions on a regular basis;
Membership on Committees	f)	At the Organizational Meeting of the Board immediately following each Annual Meeting of the Shareholders of the Corporation, the allocation of Board members to each of the Board Committees and where a vacancy occurs in the membership or any Board Committee, a member to fill such vacancy drawn from a list of potential director candidates maintained by the Committee;
Remuneration of Directors	g)	The remuneration of the directors of the Corporation and any special arrangements with a director of the Corporation; and
Disclosure	h)	The corporate governance disclosure in the Management Proxy Circular and in other documents filed with securities regulatory authorities from time to time.

3. *Review and Report*

At least annually, the Committee must review and report to the Board on:

Composition of Board	a)	The entire membership of the Board, ensuring that qualifications (including but not limited to the “independence” of members of the Board) required under any applicable legislation and regulation, the By-law of the Corporation and in this mandate are maintained; and the appropriate size of the Board with a view to facilitating effective decision making;
Anticipated Resignations	b)	Any anticipated resignation which a director is expected to offer when:
Qualifications	i)	he or she is no longer qualified under any applicable legislation and regulation;
Conflicts of Interest	ii)	he or she is in a position of conflict of interest; or
Change of Credentials	iii)	the occupation of a director or the credentials underlying the appointment of a director changes;
Re-election of Directors	c)	(Before the end of February each year) the credentials of nominees to be named in management’s proxy materials for re-election considering:
Legal Qualification	i)	their continuing qualification under any applicable legislation and regulation;
Continuing Credentials	ii)	the continuing validity of the credentials underlying the nomination of each director; and
Attendance and	iii)	attendance at meetings and contributions to the Board’s business;

Contribution	
Performance Evaluation	d) The results of the annual performance evaluation of the Board and its committees;
Material Policies	e) The adoption of material policies or amendments to material policies, if any; and
Committee Activities	f) Its activities during the year.

4. General Duties of Committee

The Committee must review and satisfy itself as to:

Governance Initiatives	a) Any initiatives not outlined herein to help the Board deliver exemplary governance of the Corporation;
Effectiveness	b) The effective functioning of the Board and management;
Directors' Compensation Plans	c) The administration (which the Committee may delegate) of any compensation plans for the Board; and
Mandate Review	d) The adequacy of this mandate. The Committee will review this mandate on an annual basis and, as it deems appropriate, recommend any changes to the Board for approval.

5. Administration of the Committee

Composition of Committee	a) The Committee shall be composed of a minimum of four directors, all of whom shall "independent" as defined by applicable legislation and regulation.
Appointment and Term of Committee Members	b) The members of the Committee must be appointed or reappointed at the Organizational Meeting of the Board immediately following each Annual Meeting of the Shareholders of the Corporation. Each member of the Committee shall continue to be a Committee member until a successor is appointed, unless he or she resigns or is removed by the Board or ceases to be a director of the Corporation. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than four directors as a result of the vacancy.
Chairman and Secretary	c) The Board or, if it fails to do so, the members of the Committee, shall appoint one of their members as a Chairman. In the event that the Board of Directors appoints a Vice Chairman, the Vice-Chairman shall be appointed the Chairman of the Committee. The Chairman shall: <ul style="list-style-type: none"> i) review and approve the agenda for each meeting of the Committee and as appropriate, consult with members of management; ii) preside over meetings of the Committee; and iii) report to the Board on the activities of the Committee relative to its recommendations, resolutions, actions and concerns.

If the Chairman of the Committee is not present at any meeting of the Committee, the Chairman of the meeting must be chosen by the Committee from the Committee members present. The Chairman presiding at any meeting of the Committee has a deciding vote in case of deadlock. The Committee must also appoint a Secretary who need not be a director.

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| Time, Place and Procedure of Meetings | d) | The time, place and procedure of Committee meetings shall be determined by the Committee members, provided that: |
| Quorum | i) | a quorum for meetings shall be a majority of the members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to communicate with each other; |
| Semi-Annual Meetings | ii) | the Committee shall meet at least semi-annually; and |
| Notice and Waiver of Notice | iii) | notice of the time and place of every meeting shall be given in writing or by facsimile to each Committee member at least 24 hours prior to the time fixed for the Committee meeting. A member may waive a notice of the meeting and attendance of a member at a 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. |
| Use of Outside Experts | e) | Where Committee members believe that, to properly discharge their fiduciary obligations to the Corporation, it is necessary to obtain the advice of outside experts, the Committee shall have sole authority to engage the necessary experts, at the Corporation's expense, to advise the Committee or its members independently on any matter. The Committee shall have the sole authority to approve such experts' fees and other terms of reference. The Board shall be kept apprised of both the selection of the experts and the experts' findings through the Committee's regular reports to the Board. |
| Annual Performance Evaluation | f) | The Committee will conduct an annual evaluation of its performance as a committee. |

6. Interpretation

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| Side Notes and Headings | a) | Side notes and headings in this mandate are for ease of reference only, and do not in any way change or affect the meaning hereof. |
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Most Recent Revision: March 13, 2009