



Incentive Compensation Clawback Policy

1 Purpose

The purpose of this Incentive Compensation Clawback Policy (the “**Policy**”) is to set out the guidelines for the recovery of performance based compensation upon the occurrence of certain events, as set forth herein. It has been implemented to ensure that the board of directors (the “**Board**”) of Gibson Energy Inc. (“**GEI**”) is able to take direct and appropriate action to rectify or prevent unjust enrichment. It is not intended to penalize individuals for bona fide errors in judgment made in good faith, nor second guess legitimate business decisions that subsequently come under scrutiny; rather, it is designed to target and discourage intentional, dishonest behavior leading to unjust enrichment due to inaccurate financial results reporting.

2 Scope

This policy applies to all individuals at the Vice-President level or above of GEI or its wholly-owned subsidiaries (collectively, “**Gibson**”) who are currently or were previously employed by Gibson (a “**Member of Management**”).

In addition, this Policy will apply to cash bonuses paid or to be paid and equity based compensation vested or to be vested (“**Incentive Compensation**”) pursuant to the 2011 Equity Incentive Plan of GEI (the “**Plan**”) or any subsequent plan similar thereto.

These procedures may be changed and/or other procedures may be adopted in the future as considered appropriate, in order to carry out the purposes of this Policy. This Policy is intended to operate in addition to any requirements that may exist from time to time at law or under applicable rules or regulations and, to the extent GEI or the Board is obligated to comply with any such laws, rules or regulations, this Policy shall be read to incorporate such obligations and shall require GEI or the Board to discharge its duties as prescribed thereunder. If there is any conflict between the provisions of this Policy and the requirements under applicable law, rules or regulations, the latter shall prevail and this Policy shall be amended to rectify any such conflict.

3 Policy Content

A Member of Management will be obligated to reimburse Gibson for the Clawback Amount upon the occurrence of the following:

- i) GEI is required to prepare an accounting restatement due to material non-compliance with any financial reporting requirement under applicable securities laws (the “**Restatement**”);
- ii) Incentive Compensation is received by the Member of Management in respect of the years to which the Restatement applies;
- iii) the amount of Incentive Compensation received by the Member of Management was calculated based on the achievement of certain financial results that were subsequently affected by the Restatement; and
- iv) the Member of Management engaged in gross negligence or fraud (“**Misconduct**”) which significantly contributed to the Restatement.

Should the foregoing occur, the Board shall have the discretion to cancel, withhold or otherwise take appropriate action to recoup all or a portion of that Member of Management’s Incentive Compensation paid, to be paid, vested or to be vested during the 12-month period following the first public issuance or



filings with securities regulatory authorities, whichever first occurs, of the financial document embodying such erroneous financial reporting results (the “**Clawback Amount**”). The Clawback Amount shall not exceed the full value of the cash bonus paid or to be paid and the full value of equity based compensation vested or to be vested in respect of the year(s) in which the Misconduct occurred.

In the absence of admission by a Member of Management, the determination of whether Misconduct has occurred shall be made by the Board, acting reasonably and in good faith, upon completion of an internal investigation utilizing qualified, third-party financial and legal advice. All costs of Gibson and the Member of Management incurred in connection with any internal investigation undertaken shall be borne by Gibson. An affected Member of Management may be permitted, but shall not be obligated, to participate in any investigation undertaken pursuant to this Policy. Nothing contained in this Policy shall require a Member of Management or any other person to make any admission of wrongdoing or to voluntarily acknowledge or submit to a determination of Misconduct by the Board.

In carrying out the recovery of the Clawback Amount, the Board shall be entitled to pursue all legal and other remedies at its disposal including, without limitation, initiating legal action and cancelling or withholding vested, unvested and future Incentive Compensation awards. The effect of tax and any third-party fines, penalties or damages imposed on the Member of Management in respect of the Misconduct leading to the overpayment will be considered by the Board, and appropriate credit given for such amounts, in determining the amount of the overpayment amount to be recovered by the Board and appropriate recovery actions.

4 Compliance and Reporting

The Corporate Governance, Compensation and Nomination Committee (the “**CGCN Committee**”) will monitor the compliance with and effectiveness of this Policy and will report to the Board and provide recommendations based on this Policy. Responsibility for the interpretation and update of this Policy rests with the CGCN Committee.

In exercising its discretion and determining the appropriate extent of recovery under this Policy and the steps to be taken to effect such recovery, the Board shall, as required by law, consider the best interests of Gibson in the particular circumstances.

To the extent practicable and as permitted by law, including securities laws and stock exchange requirements pertaining to public disclosure, investigations and related findings under this Policy shall be undertaken and treated in a confidential manner.

Nothing contained in this Policy shall derogate from an individual’s rights at law, nor shall it preclude or prevent Gibson or any individual, including any Member of Management to whom this Policy may be applied, from taking such actions or pursuing such remedies to which they may be entitled, including, as appropriate and without limitation, applications for injunction.

5 Board Approval

The Board will review this Policy annually.