



# Majority Voting in Director Elections Policy

## 1 Purpose

This policy of Gibson Energy Inc. (the “**Corporation**”) addresses the process in which those in charge of the governance of the Corporation, being the board of directors of the Corporation (the “**Board**”), are elected. The purpose of this policy is to ensure that only those directors who receive a majority of votes in their favor remain on or are appointed to the Board.

## 2 Scope

This policy applies to the Board of the Corporation.

## 3 Policy Content

The Board is committed to fulfilling its mandate to supervise the management of the business and affairs of the Corporation with the highest standards and in the best interests of the shareholders of the Corporation. The Board has, in light of best practice standards in Canada, unanimously adopted this policy providing for majority voting in director elections at any meeting of the Corporation's shareholders. This policy applies only where an “uncontested election” of directors is held. For the purposes of this policy, an “uncontested election” of directors of the Corporation means an election where the number of nominees for directors is equal to the number of directors to be elected.

Pursuant to this policy, the forms of proxy circulated in connection with a meeting of the Corporation's shareholders at which an uncontested election of directors is to be conducted shall provide the Corporation's shareholders with the ability to vote in favour of, or to withhold from voting for, each director nominee. The Chairman of the Board will ensure that the number of votes withheld and the number of votes in favor of such nominee are recorded and promptly made available to the public after the meeting of the Corporation's shareholders. If the number of proxy votes withheld for a particular director nominee is greater than the votes in favour of such nominee, the director nominee shall be required to promptly submit his or her resignation to the Chairman of the Board following the applicable meeting of the Corporation's shareholders, despite being duly elected as a matter of corporate law. Such resignation shall be effective on acceptance by the Board.

Following receipt of a resignation submitted pursuant to this policy, the Corporate Governance, Compensation and Nomination Committee (the “**Committee**”) shall consider whether or not to accept the offer of resignation and shall recommend to the Board whether or not to accept it. Within 90 days following the applicable meeting of the Corporation's shareholders, the Board shall make its decision based upon the Committee's recommendation. The Board shall accept a resignation absent exceptional circumstances.

Following the Board's decision on the resignation, the Board shall promptly disclose, via press release, its decision whether to accept or reject the director's resignation offer including its reasons for accepting or rejecting the resignation offer. If a resignation is accepted, the Board may in accordance with the provisions of the articles and by-laws of the Corporation and applicable corporate law, as may be amended and/or supplemented from time to time, take such actions that they believe to be in the best interests of the Corporation including, without limitation, (i) appointing a new director to fill any vacancy created by the resignation or (ii) leaving the vacancy in the Board unfilled until the next meeting of the Corporation's shareholders.

A director who tenders his or her resignation pursuant to this policy shall not be permitted to participate in any meeting of the Board and/or the Committee, if he or she is a member of the Board and/or the Committee, as applicable, at which his or her resignation is to be considered. However, if each member



of the Committee received a greater number of proxy votes withheld than the votes for each member in the same election, or a sufficient number of the Committee members, such that the Committee no longer has a quorum, then the remaining members of the Committee, if any, shall not consider the resignation offer(s) and the Board shall consider whether or not to accept such offer(s) of resignation without a recommendation from the Committee.

In the event that a sufficient number of the Board members received a greater number of proxy votes withheld than the votes for such members in the same election, such that the Board no longer has a quorum, then such directors receiving a majority withheld vote shall not be permitted to vote in any meeting of the Board at which his or her resignation offer is considered, however he or she shall be counted for the purpose of determining whether the Board has quorum.

In the event that any director, who received a greater number of proxy votes withheld than votes in favour of such director's election, does not tender his or her resignation in accordance with this policy, he or she will not be re-nominated by the Board.

The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this policy.

#### **4      Compliance and Reporting**

In the event that any director, who received a greater number of proxy votes withheld than votes in favour of such director's election, does not tender his or her resignation in accordance with this policy, he or she will not be re-nominated by the Board.

#### **5      Approval**

The Board will review this policy annually.