

INDIVIDUAL DIRECTOR MANDATE

In addition to the responsibility and specific duties set out in the Board Mandate and any other applicable Mandate or Position Description, an individual Director of Nexen Inc. (Nexen) has the oversight responsibility and specific duties described below.

Appointment

An individual Director will be a duly elected or appointed member of the Board of Directors (Board) and will have the competencies and skills determined by the Corporate Governance and Nominating Committee (CGN Committee) and the Board. As recommended by the CGN Committee, each individual Director will be nominated by the Board for election by the shareholders at the annual general meeting each year. At least two-thirds of the Directors will be independent under the Categorical Standards for Director Independence (Categorical Standards) adopted by the Board and applicable law.

Attendance

Individual Directors are expected to attend the annual general meeting of shareholders and all Board and applicable Board Committee meetings in person. In addition to meetings scheduled to be held by telephone conference call, it is acceptable for an individual Director, on occasion and in appropriate circumstances, to attend a meeting by telephone or to miss a meeting. Overall individual Director attendance at Board and applicable Board Committee meetings, combined, is expected to be at least 75%. Individual Director attendance will be disclosed annually in the Proxy Circular.

Responsibility

Each individual Director of Nexen contributes actively and collectively to the effective governance of Nexen.

Specific Duties

An individual Director will:

Fiduciary Duty

1. Consider and act in the best interests of Nexen and its shareholders.
2. Fulfil the duties of care and loyalty to Nexen.
3. Contribute to fulfilling the duties and responsibilities outlined in the Board Mandate, the Mandates of the Committees of which the Director is a member and the Position Descriptions applicable to the individual Director.

Sustainable Business Practices: Social Responsibility; Ethics and Integrity; Health, Safety and Environment

4. Support Nexen's commitment to sustainable business practices.
5. Comply with *How We Work: Our Integrity Guide*, which constitutes our code of ethics.
6. Demonstrate credibility, integrity and high ethical standards in the individual Director's business dealings and personal affairs.

Governance

7. Understand the difference between governance responsibilities and day-to-day management, and function effectively in the governance role.
8. Work effectively and constructively with other Directors and Management.

Contribution and Independence

9. Have sufficient time and energy to devote to fulfil the individual Director's duties and responsibilities.
10. Consult with the Chair of the Board in considering an appointment as a director to any other public entity.
11. Prepare for, attend and contribute knowledgeably and effectively to meetings of the Board and the Committees of which the individual Director is a member. Directors who cannot attend a meeting will make all reasonable efforts to provide their input to the Chair prior to the meeting and indicate whether they agree or disagree with any actions proposed to be taken.
12. Listen carefully and ask questions of Management constructively to encourage discussion of key issues and fulfill the individual Director's duties and responsibilities.
13. Work effectively, collaboratively and resiliently to resolve conflict and maintain healthy relationships.
14. Participate in an annual assessment by the CGN Committee of independence under the Categorical Standards and applicable law.
15. Use conceptual and problem-solving skills to make sound decisions recognizing possible biases in board discussions.
16. Aside from the requirements under the Categorical Standards, be independent-minded within the Board room in dealing with: business and governance issues; related-party transactions; any transactions or agreements that Nexen is considering in respect of which a director or executive officer has a material interest; and, any potential conflict of interest situations.
17. Apply personal experience, business knowledge, and sound judgment relevant to Nexen's business purpose, financial responsibilities and risk profile.
18. Advise the Chair of the CGN Committee of any changes in factors that could affect the independence or effectiveness of the individual Director.
19. Advise the Chair of the CGN Committee of any material change in employment or health status.

Skills, Competencies and Continuing Education

20. Within a reasonable time following appointment or election, participate in Nexen's Director Orientation program.

21. Maintain or enhance the competencies and skills the individual Director is expected to bring to the Board.
22. Apply those competencies and skills effectively to the strategic issues facing Nexen.
23. Participate in continuing education opportunities to maintain or enhance skills and abilities and ensure that the individual Director's knowledge and understanding of Nexen's business remains current.

Performance

24. Participate in a regular assessment by the CGN Committee of personal performance and contribution, given the Position Descriptions and Mandates applicable to the individual Director, as well as the competencies and skills the individual Director is expected to bring to the Board.
25. Participate in a regular performance assessment by the CGN Committee of the Board, Board Committees and the other individual Directors.

Advisors / Resources

26. With the approval of the CGN Committee, individual Directors are permitted to engage independent advisors at Nexen's expense in appropriate circumstances.

Other

27. Carry out any other appropriate duties and responsibilities assigned by the Board or a Board Committee of which the individual Director is a member.
28. To honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this Mandate is delegated to the Secretary, who will report any amendments to the CGN Committee at its next meeting.
29. Once or more annually, as the CGN Committee decides, this Mandate will be fully evaluated and updates recommended to the Board for consideration.

Approved: November 28, 2011