

**SUNOCO, INC.**  
**COMPENSATION COMMITTEE CHARTER**

**Membership** The Compensation Committee will consist of no fewer than three directors. Every member shall satisfy the independence standards of the New York Stock Exchange Listing Standards, as amended, and the Company's Categorical Standards of Independence as set forth in the Company's Corporate Governance Guidelines. Additionally, all members shall meet the definition of "outside director" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended and the definition of "non-employee director" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended. The Board shall appoint a Chairman and the members upon recommendation of the Governance Committee and shall have the power to fill vacancies on the Committee. Additionally, the Board shall have the power to remove any member at any time with or without cause.

**Purpose**

The Compensation Committee, in order to assist the Board in the discharge of its responsibilities relating to the compensation of the executives and other key employees of Sunoco, has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as they affect the CEO and the Company's other executive officers.

**Duties & Responsibilities**

1. The Committee reviews Sunoco's philosophy regarding executive compensation.
2. The Committee adopts, amends and makes grants under Sunoco's long- or short-term incentive compensation plans in which the CEO and other executive officers may be participants; oversees policies relating to the granting of equity awards; approves performance criteria for the long- and short-term plans; interprets the Plans; determines rules and regulations relating to the Plans; and performs the duties and responsibilities as provided in the applicable plan documents.
3. With regard to Sunoco's annual and long-term incentive compensation programs, the Committee evaluates the performance of the Company in meeting specific performance criteria set previously by the Committee, certifies that the performance criteria have been met, and approves payouts.
4. The Committee annually reviews the perquisites of the CEO and executive officers, as well as their compliance with Sunoco's policies regarding perquisites.

5. The Committee annually reviews recommendations made by the CEO for the compensation of Sunoco's other executive officers, provides input, and approves their compensation.
6. With regard to the CEO the Committee determines and approves, and with regard to the other executive officers the Committee reviews and approves, offer letters, severance or other arrangements; change in control provisions affecting compensation and benefits; or similar provisions and payments to be made to any such officer.
7. The Committee reviews and approves Sunoco's Executive Stock Ownership Guidelines and monitors executives' compliance with the Guidelines.
8. The Committee annually reviews Sunoco's total compensation liabilities to the CEO and senior executives under various scenarios, including voluntary termination, retirement, involuntary termination and change-in-control.
9. The Committee annually reviews and discusses with management the CD&A required by the SEC, and based on such review and discussion, determines whether to recommend to the Board that the CD&A be included in the Company's proxy statement.
10. The Committee annually produces a Compensation Committee Report for inclusion in the Company's proxy statement.
11. The Committee annually:
  - determines and approves the base salary, and the annual and long-term incentive opportunities for the CEO, based on Market Data compiled by its third-party consultant to assess competitiveness. With regard to the long-term incentive opportunity, the Committee also reviews prior awards granted to the CEO.
  - reviews and approves, in advance, the goals and objectives for the annual and long-term awards, which are then discussed with the entire Board.
  - evaluates the Company's and CEO's performance in light of the previously established goals and objectives, and approves payouts.
  - in determining the CEO's long-term incentive award pay-out, the Committee reviews the Company's performance and relative shareholder return.
12. The Committee monitors the employee benefit programs sponsored by Sunoco; and as appointing fiduciary under various pension and employee welfare benefit plans, sponsored by Sunoco and its affiliates:

- appoints, monitors and removes as needed, the members of the Benefit Plans Investment Committee ("BPIC") and the plan administrator and/or administrative committee under the plans; and
  - receives and reviews written and in-person reports and presentations from each of the BPIC, the plan administrator and, as applicable, other fiduciaries, covering their respective fiduciary responsibilities and other duties under the pension and employee welfare benefit plans.
13. The Committee has sole authority to retain and terminate any consulting firm (including the sole authority to approve the consultant's fees and other retention terms) to assist in the evaluation of CEO or senior executive compensation.
  14. The Committee will conduct an annual self-evaluation and will review the results of the evaluation with the Board.
  15. Any action required to be taken at a meeting of the Committee will be deemed the action of the Committee if all of the Committee members executed, either before or after the action is taken, a written consent and the consent is filed with the Corporate Secretary.
  16. The Chairman will report to the Board on Committee actions and on the fulfillment of the Committee's duties under its Charter.
  17. The chief Human Resources officer will be the management liaison to the Committee.
  18. The Committee Secretary (who will be the Corporate Secretary) will keep minutes of all Committee meetings, which will be distributed to all Board members.
  19. The Committee will meet periodically during the year and at such other times as may be requested by its Chairman.
  20. The Committee has authority to further delegate its responsibilities, as appropriate.