

SUNOCO, INC.
COMPENSATION COMMITTEE CHARTER

Authority By resolution dated September 26, 1974, the Sunoco, Inc. Board of Directors established the Compensation Committee. The Board adopted this Charter of the Compensation Committee on February 7, 2008.

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 fair and competitive compensation of the executives and other key employees of Sunoco:

- Reviews and approves Sunoco's compensation philosophy;
- Reviews and approves executive compensation programs and awards;
- Reviews and approves, and makes recommendations to the Board with respect to, Sunoco's short- and long-term incentive plans;
- Determines and approves Chief Executive Officer ("CEO") compensation;
- Reviews and approves non-CEO executive officer compensation;
- Reviews and discusses with Management the Compensation Discussion and Analysis (the "CD&A") required by the Securities and Exchange Commission (the "SEC") and recommends to the Board that the CD&A be included in the Company's proxy statement;
- Produces an annual Compensation Committee Report for inclusion in the Company's proxy statement; and
- Reviews Sunoco's general employee pension benefit plans and other benefit plans as appropriate.

Duties & Responsibilities

Executive Compensation-The Committee:

1. Reviews Sunoco's philosophy regarding executive compensation.
2. Engages its own third-party compensation consultant to advise regarding "best practices" in executive compensation and to annually review market data to assess Sunoco's competitive position for the three components of executive compensation (base salary; annual incentives; and long-term incentives). The market data that is reviewed includes data from the proxy peer group, industry peers and general industry data, which is adjusted for each company's relative revenue base ("Market Data").
3. Adopts, amends and makes awards under Sunoco's long- or short-term incentive compensation plans in which the CEO and other executive officers may be participants, including, but not limited to:
 - making option and common stock unit grants
 - overseeing policies relating to the granting of equity awards
 - approving performance criteria for the common stock units
 - approving performance criteria for the short-term incentive plans
 - interpreting the Plans
 - determining rules and regulations relating to the Plans
 - designating employees eligible to participate in the long-term incentive plans
 - modifying or canceling existing grants
 - imposing limitations, restrictions and conditions upon any award as the Committee deems appropriate
4. With regard to Sunoco's annual incentive program, and the performance-based common stock unit portion of the long-term incentive compensation program, evaluates the performance of the Company in meeting specific performance criteria set previously by the Committee, and assures that both programs result in payments that are closely correlated with Sunoco's achievement of those performance criteria.
5. Annually reviews the perquisites of the CEO and executive officers, as well as their compliance with Sunoco's policies regarding perquisites.
6. Reviews and pre-approves any compensation arrangement or other perquisite that is outside of Sunoco's approved policies.

7. Reviews recommendations made by the CEO for the compensation of Sunoco's other executive officers and approves their compensation.
8. Reviews and approves, in advance, employment agreements, severance or similar agreements or provisions and payments to be made to any executive officer.
9. Reviews and approves Sunoco's Executive Stock Ownership Guidelines and monitors executives' compliance with the Guidelines.
10. 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.
11. 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.
12. Annually produces a Compensation Committee Report for inclusion in the Company's proxy statement.

CEO Compensation

13. Base Salary. Annually, the Committee determines and approves the CEO's base salary. In determining the salary, the Committee:
 - reviews Market Data compiled by its third-party consultant to assess the competitiveness of the base salary; and
 - evaluates the CEO's individual performance during the prior year.
14. Annual Incentives. Annually, the Committee determines and approves the CEO's annual incentive award. In approving the award, the Committee:
 - reviews Market Data compiled by its third-party consultant to assess the competitiveness of the annual incentive award opportunity; and
 - reviews and approves specific goals and objectives for the next year, which are then discussed with the entire Board.
15. Long-Term Incentive Compensation. Annually, the Committee reviews and approves the long-term incentive award. In approving the award, the Committee:

- reviews Market Data compiled by its third-party consultant to assess the competitiveness of the long-term incentive award opportunity;
- evaluates the CEO's individual performance during the prior year in granting the total long-term incentive opportunity;
- reviews the awards given to the CEO in past years; and
- in connection with the grant of performance-based common stock units, approves in advance the performance criteria that the common stock units will be measured against.

Review the general employee pension and employee welfare benefit plans

16. The Committee:

- Monitors the employee benefit programs sponsored by Sunoco with respect to external competitiveness, internal equity and legal compliance; and
- As appointing fiduciary under various pension and employee welfare benefit plans, sponsored by Sunoco and its majority-owned domestic subsidiaries:
 - appoints, monitors and removes as needed, the members of the Benefit Plans Investment Committee ("BPIC") and the Plan Administrator;
 - reviews the membership and qualifications of the BPIC annually, and when personnel changes or other developments make it necessary or appropriate to change the composition of the BPIC; 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.

Consultants

17. 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.

Committee Evaluations

18. The Committee will conduct an annual self-evaluation and will review the results of the evaluation with the Governance Committee and with the Board.

Committee Meetings and Action

19. The following items shall govern Committee meetings and actions:
- A majority of the Committee members will be a quorum for the transaction of business.
 - The action of a majority of those present at a meeting at which a quorum is present will be the act of the Committee.
 - 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.
 - The Chairman will report to the Board on Committee actions and on the fulfillment of the Committee's duties under its Charter.
 - The Senior Vice President, Human Resources will be the management liaison to the Committee.
 - The Committee Secretary (who will be the Corporate Secretary) will keep minutes of all Committee meetings, which will be distributed to all Board members.
 - The Committee will meet at least five times during the year and at such other times as may be requested by its Chairman.
 - The Committee Secretary and the management liaison, in consultation with the Committee Chairman, will prepare an agenda. Annual recurring events for the Committee are used as preliminary agenda items. All committee members are free to include additional items on the agenda.
 - The agenda and all materials to be reviewed at the meetings should be received by Committee members as far in advance of the meeting day as practicable (which will normally be 6 days).
 - The Committee Secretary will coordinate all mailings to the Committee members, to the extent practicable, as appropriate.
 - The Committee has authority to further delegate its responsibilities, as appropriate.