



## **COBALT INTERNATIONAL ENERGY, INC.**

A Delaware corporation  
(the “Company”)

### **Compensation Committee Charter**

Adopted October 22, 2009  
Last Amended on April 29, 2014

#### **Purpose and Scope**

The Compensation Committee (the “Committee”) is created by the Board of Directors of the Company (the “Board”) to discharge the responsibilities set forth in this Charter. The Committee shall have the authority and membership and shall operate according to the procedures provided in this Charter.

#### **Membership**

The Committee shall consist of at least three members. The Committee shall be comprised solely of directors deemed by the Board to be independent and who meet independence requirements of the New York Stock Exchange. With respect to determinations made under Rule 16b-3 under the Securities Exchange Act of 1934 or Section 162(m) of the Internal Revenue Code, if all members of the compensation committee are not “non-employee directors” (as defined in Rule 16b-3 under the Securities Exchange Act of 1934) or “outside directors” (as defined in Section 162(m) of the Internal Revenue Code), as applicable, determinations made pursuant to Rule 16b-3 under the Securities Exchange Act of 1934 shall be made by a sub-committee comprised solely of two or more “non-employee directors,” and determinations made pursuant to Section 162(m) of the Internal Revenue Code shall be made by a sub-committee comprised solely of two or more “outside directors.” The Nominating and Corporate Governance Committee shall recommend nominees for appointment to the Committee annually and as vacancies or newly created positions occur. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chairman of the Committee.

#### **Responsibilities**

In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters.

##### *Executive Compensation*

- The Compensation Committee shall review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives, and, together with the other independent



directors on the Board, determine and approve the CEO's compensation level based on this evaluation.

- The Compensation Committee shall review and approve the compensation of each of the Company's other executive officers. In reviewing and approving executive officer compensation, the Committee shall, among other things:
  - identify, review and approve corporate goals and objectives relevant to executive officer compensation;
  - evaluate each executive officer's performance in light of such goals and objectives and approve each executive officer's compensation based on such evaluation, including such other factors as the Committee deems appropriate and in the best interests of the Company; and
  - approve any long-term incentive component of each executive officer's compensation.

#### *Director Compensation*

- The Committee shall review and approve compensation (including stock option grants and other equity-based compensation) for the Company's directors. In so reviewing and approving director compensation, the Committee shall:
  - identify corporate goals and objectives relevant to director compensation; and
  - evaluate the performance of the Board in light of such goals and objectives and set director compensation, including any long-term incentive component, based on such evaluation and such other factors as the Committee deems appropriate and in the best interests of the Company (including the cost to the Company of such compensation).

#### *Management Succession*

- The Committee shall, in consultation with the Company's CEO, periodically review the Company's management succession planning, including policies for CEO selection and succession in the event of the incapacitation, retirement or removal of the CEO, and evaluations of, and development plans for, any potential successors to the CEO.

#### *Compensation Philosophy, Policies and Plans*

- The Committee shall review, evaluate and determine the Company's executive compensation philosophy and benefits policies generally (subject, if applicable, to



shareholder approval), including the review and determination of any incentive-compensation and equity-based plans of the Company. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of executive officers and other employees of the Company and any other factors that it deems appropriate.

#### *Disclosure*

- The Committee shall prepare the Compensation Committee Report required by SEC rules to be included in the Company’s annual proxy statement or Form 10-K, and the Committee shall review and discuss the Company’s Compensation Disclosure and Analysis as required by SEC rules (“CD&A”) with management and provide a recommendation to the Company’s Board regarding the inclusion of the CD&A within the Company’s annual proxy statement or Form 10-K.

#### *Reporting to the Board*

- The Committee shall report to the Board periodically.
- At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.
- The Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board for approval.

#### **Authority and Delegations**

In compliance with the terms of this charter, the Committee has the sole authority to retain, obtain the advice of, and terminate any advisors, including any compensation consultant assisting the Committee in the evaluation of CEO or executive officer compensation, including sole authority to approve all such advisors’ reasonable fees and other retention terms.

The Committee shall have available appropriate funding from the Company as determined by the Committee for payment of:

- reasonable compensation to any advisors employed by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee must review the independence of all of its advisors, including compensation consultants, as required by the SEC, New York Stock Exchange or any other applicable law, regulation or listing standard prior to retaining or obtaining the advice of such advisor.



The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems it appropriate and in the best interests of the Company.

### **Procedures**

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter. The Chairman of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this charter. Fifty percent (50%) or more of the applicable members shall constitute a quorum.

No executive officer should attend that portion of any meeting where such executive's performance or compensation is discussed, unless specifically invited by the Compensation Committee.