

# **Transocean Ltd.**

## **Executive Compensation Committee Charter**

### **Purpose**

The Executive Compensation Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Transocean Ltd. (the "Company") to assist the Board in (1) developing an appropriate compensation program and benefit package for executives and other senior officers and (2) complying with the Board's legal and regulatory requirements as to executive and senior officers compensation in order to allow the Company to attract, retain and motivate qualified executives in a system that aligns executive compensation with the Company's business performance.

### **Committee Membership**

The Committee shall consist of no fewer than three members. The members of the Committee shall meet any applicable independence and experience requirements, including of the New York Stock Exchange, Rule 16b-3 of the Securities Exchange Act of 1934, and Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee. Committee members may only be dismissed by the Board.

### **Meetings**

The Committee shall meet as often as it determines is necessary to meet its responsibilities, but shall meet no fewer than four times a year.

The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

### **Committee Authority and Responsibilities**

The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors, including any compensation consultant, used to assist it in the evaluation of CEO or executive officer or other senior officer compensation. The Committee shall have the sole authority to approve the fees and other retention terms for any advisors employed by the Committee, and the Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultant or advisor employed by the Committee. Any such compensation consultant or such advisor shall report directly to the Committee.

The Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, provided that decisions of such a subcommittee shall be presented to the full Committee at its next scheduled meeting.

The Committee shall annually review the Committee's own performance.

The Committee shall as appropriate:

1. Review annually and approve (i) the compensation paid to and the benefits and perquisites received by executive officers of the Company (as defined in Rule 3b-7 under the Securities Exchange Act of 1934) or any individual whose compensation is required to be disclosed by applicable securities laws and regulations, and (ii) the compensation levels for other officers who are at or above the Senior Vice President level;
2. Select appropriate peer groups and market reference points against which the Company's executive compensation is to be compared;
3. Annually establish focus areas for the Company's CEO and annually review the CEO's performance in light of the focus areas that were established and set the CEO's compensation based as appropriate on this evaluation together with competitive data. The full Board should participate in the annual review and the Chairman of the Executive Compensation Committee shall preside over the evaluation and communicate the evaluation to the CEO;
4. Administer the Company's Long-Term Incentive Plan, Performance Award and Cash Bonus Plan, Deferred Compensation Plan, Incentive Recoupment Policy and any other executive compensation plan or arrangement providing for benefits primarily to executive officers of the Company (now existing or which may be adopted) (collectively, the "Plans") in accordance with the goals and objectives of the Company established by the Board, the terms of the Plans, and any rules and regulations thereunder; such administration shall include, but not be limited to, selecting eligible employees, making grants and awards, setting performance targets and interpreting the terms and provisions of the Plans, and adopting operating rules necessary to implement the Plans and conform with governmental requirements;

The Committee shall consult with other committees of the Board for the setting of performance targets relevant to such Plans, as appropriate;

The Committee may delegate all or a portion of its powers and responsibilities with respect to such Plans to one or more management committees of the Company or its subsidiaries; provided that the Committee shall retain all power and responsibility with respect to awards granted to all executive officers of the Company;

5. Consider and make recommendations to the Board concerning the existing executive compensation program and changes to such programs;
6. Consider and approve the terms of any employment agreement and of any severance, termination payments or other similar arrangements that may be entered into with executive officers of the Company; provided, however, that the Committee shall not recommend or approve, and the Board shall not authorize “single trigger” change of control agreements for any officer of the Company; and
7. Review and discuss the Compensation Discussion and Analysis (“CD&A”) and based upon such discussion recommend to the Board the inclusion of the CD&A in the Company’s proxy statement or other applicable filing or report;
8. Prepare a report for inclusion in the Company’s proxy statement or other applicable filing or report, in accordance with the applicable rules and regulations;
9. Assess the risks, with the assistance of external resources as the Committee deems appropriate, of the Company’s compensation arrangements applicable to the Company’s executive officers and other employees;
10. Monitor compliance of directors and applicable officers with the Company’s Executive Stock Ownership Policy;
11. Monitor regulatory trends with respect to executive compensation;
12. Perform other functions as assigned by law, the Company’s Articles of Association, or the Board.

<p>This Charter was adopted by the Board of Directors of Transocean Ltd. on December 8, 2008 and last amended on February 15, 2013.</p>
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