

Transocean Ltd.

Compensation Committee Charter

Purpose

The Compensation Committee (the “Committee”) is a committee of 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 members of the Board, Executives (as defined below) and other senior officers and (2) complying with the Board’s legal and regulatory requirements as to Board member, Executive and senior officer compensation in order to allow the Company to attract, retain and motivate qualified individuals in a system that aligns compensation with the Company’s business performance.

For purposes of this Charter, the term “Executive(s)” shall refer to the member(s) of the Executive Management Team (as defined in the Company’s Articles of Association (the “Articles”) and Organizational Regulations) and other persons defined as an “officer” pursuant to Section 16(a) of the U.S. Securities Exchange Act of 1934, as it may be amended from time to time (the “Exchange Act”).

Committee Membership

In accordance with the Articles, the Committee shall consist of no fewer than three members. Further, 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 Exchange Act, and Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be elected by the shareholders at each Annual General Meeting for a term of office extending until completion of the next Annual General Meeting on the proposal of the Board, who shall submit such proposal to the shareholders upon recommendation of the Corporate Governance Committee. If there are, for any reasons, vacancies on the Compensation Committee, the Board shall appoint from among its members substitutes for the respective term of office. The chair of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee.

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 other advisors 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 select, retain, dismiss or replace independent legal, accounting or other advisors, including any compensation consultant (collectively, the “Advisors”), used to assist it in the evaluation of Board member, CEO, other Executive or other senior officer

compensation. The Committee shall have the sole authority to approve the fees and other retention terms for such Advisors employed by the Committee, and the Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to such Advisors employed by the Committee. Any such Advisor shall report directly to the Committee.

Before retaining or seeking advice from any Advisor (other than the Company's in-house counsel), the Committee shall take into consideration the factors specified in Section 303A.05(c)(iv) of the rules of the New York Stock Exchange, and the Committee may retain, or receive advice from, any Advisors preferred by the Committee, including any that are not independent, after considering such specified factors; provided, however, that the Committee shall not be required to assess the independence of any Advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the Advisor, and about which the Advisor does not provide advice.

The Committee shall evaluate whether any Advisor retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K promulgated by the Securities and Exchange Commission ("SEC"), which shall be disclosed by the Company as required by SEC rules and regulations.

The Committee shall make regular reports to the Board.

The Committee may form and delegate authority, to the extent permitted under the Articles and by applicable law, 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, as appropriate:

1. Annually review the compensation of the Board and recommend to the Board for submission to and ratification by the shareholders the maximum aggregate amount of compensation of the Board between the Annual General Meeting at which ratification is sought and the next Annual General Meeting;
2. Annually review and recommend to the Board for submission to and ratification by the shareholders the maximum aggregate amount of compensation of the Executive Management Team for the fiscal year commencing after the Annual General Meeting at which ratification is sought;
3. Annually review, determine and recommend for approval by the Board, in relation to each member of the Board, within the aggregate amount or maximum aggregate amount ratified by the shareholders and subject to the general compensation principles reflected in the Articles, the actual individual compensation paid to the members of the Board;
4. Annually review, determine and approve, in relation to each member of the Executive Management Team, within the aggregate amount or maximum aggregate amount ratified by the shareholders and subject to the general compensation principles reflected in the Articles, the actual individual

compensation paid to and the benefits and perquisites received by the members of the Executive Management Team;

5. In case the Company's shareholders have not ratified any of the proposals of the Board pursuant to section 1 and/or section 2 in relation to the maximum aggregate amounts of compensation of the Board and the Executive Management Team, (i) reconsider any such proposal, including, without limitation, by taking into account, to the extent identifiable, the reasons for which the shareholders have not ratified the proposal, (ii) determine and recommend for approval by the Board the actual individual compensation to be received by the members of the Board and/or determine and approve the actual individual compensation to be received by the members of the Executive Management Team, in each case during any period in relation to which shareholder ratification remains outstanding, and (iii) recommend to the Board for approval a revised proposal for submission to and ratification by the shareholders;
6. Review and recommend to the Board for submission to and ratification by the shareholders the aggregate amount, or maximum aggregate amount, of compensation, respectively, of the Board and the Executive Management Team, or any element thereof, or any additional or contingent amount, in relation to time periods other than those referred to in section 1 and section 2 above;
7. If and when required, determine and approve the Supplementary Amount (as defined in the Articles) of compensation for members of the Executive Management Team assuming an Executive Management Team position during a compensation period for which shareholder ratification has already been granted;
8. Annually review, determine and approve (i) the compensation paid to and the benefits and perquisites received by any executive officers of the Company (as defined in Rule 3b-7 under the Exchange Act) 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, in each case except for the compensation of the members of the Executive Management Team, the review, determination and approval of which shall be subject to the provisions in sections 2, 4, 5, 6 and 7 and any other provision of this Charter specifically applicable to members of the Executive Management Team;
9. Select appropriate peer groups and market reference points against which the Company's Board compensation and compensation of Executives and other senior officers is to be compared;
10. 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, subject to the shareholder ratification requirements pursuant to the Articles and applicable law, 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 Compensation Committee shall preside over the evaluation and communicate the evaluation, together with the Chairman of the Board, to the CEO;
11. Administer the Company's Long-Term Incentive Plan, Performance Award and Cash Bonus Plan, Deferred Compensation Plan, Incentive Recoupment Policy and

any other compensation plan or arrangement providing for benefits primarily to members of the Board and Executives (now existing or which may be adopted) (collectively, the “Plans”) in accordance with the Articles, 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 members of the Board and all Executives of the Company;

12. Consider and make recommendations to the Board concerning the existing Board and Executive compensation programs and changes to such programs;
13. Consider and approve the terms of any employment agreement and of any severance, termination payments or other similar arrangements (to the extent permitted by the Articles and applicable law) that may be entered into with members of the Board and Executives; provided, however, that the Committee shall not recommend or approve, and the Board shall not authorize “single trigger” change of control arrangements for any officer of the Company;
14. 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;
15. Review and discuss the Company's Swiss statutory compensation report and, to the extent relating to compensation of the Board and the Executive Management Team, the Company's SIX Swiss Exchange corporate governance report, and based upon such discussion recommend such reports for approval by the Board;
16. 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;
17. Assess the risks, with the assistance of external resources as the Committee deems appropriate, of the Company’s compensation arrangements applicable to the members of the Board, the Executives and other employees;
18. Regularly review, and approve any amendments to, the Company's Executive Stock Ownership Policy and monitor compliance of the relevant officers with such policy;
19. Monitor regulatory trends with respect to Board and Executive compensation;
20. Annually review and assess the adequacy of this Charter and the provisions in the Articles relating to the Committee and Board and Executive Management Team

compensation and recommend any proposed changes to the Company's Corporate Governance Committee and the Board for approval or, as the case may be, approval by the Company's shareholders;

21. Annually prepare and discuss a self-assessment of its own performance during the prior year; and
22. Perform such other functions as assigned by applicable law, the Articles, or the Board.

This Charter was adopted by the Board of Directors of Transocean Ltd. on December 8, 2008 and last amended on May 16, 2014.
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