

**HUNTSMAN CORPORATION**  
**COMPENSATION COMMITTEE CHARTER**

**Effective as of February 10, 2005**

The Board of Directors (the “Board”) of Huntsman Corporation (the “Company”) established the Compensation Committee of the Board on February 10, 2005. The Board hereby adopts the following charter for the Committee effective as of the date set forth above.

**Purposes**

The purposes of the Compensation Committee are:

1. To review, evaluate, and approve the compensation agreements, incentive-compensation and equity-based plans, policies and programs of the Company;
2. To produce a report on executive compensation each year and to publish the report in the Company’s proxy statement for its annual meeting of stockholders;
3. To otherwise discharge the Board’s responsibilities relating to compensation of the Company’s officers and directors; and
4. To perform such other functions as the Board may assign to the Compensation Committee from time to time.

**Composition**

The Compensation Committee shall consist of at least three members, all of whom must be members of the Board. One of the members shall serve as the chairman of the Compensation Committee. Each member of the Compensation Committee shall be “independent” under the rules of the New York Stock Exchange applicable to domestic listed companies, subject to any permitted phase-in periods that may apply. At least two members of the Compensation Committee shall be “Non-Employee Directors” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as in effect from time to time (“Rule 16b-3”), and “outside directors” for the purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time (“Section 162(m”).

The Board shall appoint the members of the Compensation Committee based on the recommendation of the Nominating and Corporate Governance Committee. The chairman of the Compensation Committee shall be designated by the Board or, if no such designation is made, shall be selected by the affirmative vote of the majority of the Compensation Committee. The Board may remove or replace the chairman and any other member of the Compensation Committee at any time by the affirmative vote of the majority of the Board.

## **Committee Authority and Responsibilities**

The Compensation Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Compensation Committee. The Compensation Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate, whether or not such delegation is specifically contemplated under any plan or program. In particular, the Compensation Committee may delegate the approval of award grants and other transactions and other responsibilities regarding the administration of compensatory programs to a subcommittee consisting solely of members of the Compensation Committee who are (i) “Non-Employee Directors” for the purposes of Rule 16b-3, and/or (ii) “outside directors” for the purposes of Section 162(m).

Without limiting the generality of the preceding statements, the Compensation Committee shall have sole authority, and is entrusted with the responsibility, to do the following actions:

1. Each year the Compensation Committee shall:
  - review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer,
  - evaluate the performance of the Chief Executive Officer in light of such goals and objectives, and
  - set the annual compensation, including salary, bonus, incentive and equity compensation, of the Chief Executive Officer based on this evaluation.
2. Each year, the Compensation Committee shall review and make a recommendation to the Board regarding the compensation structure for all directors.
3. Each year, the Compensation Committee shall review and set the compensation structure for all executive officers.
4. Each year the Compensation Committee shall review and make recommendations to the Board with respect to incentive-compensation plans and equity-based plans. Shareholders shall be given the opportunity to vote on equity compensation plans, as required by law, applicable listing standards, the Company’s Amended and Restated Certificate of Incorporation (as the same may be amended) or Amended and Restated Bylaws (as the same may be amended, the “Bylaws”), or the Company’s Corporate Governance Guidelines.
5. Each year the Compensation Committee shall review and approve, for the Chief Executive Officer and the executive officers of the Company and their family members that are employees, all annual and other compensation arrangements and components, which may include the following:
  - the annual base salary level,
  - the annual incentive opportunity level,

- the long-term incentive opportunity level, and
- any special or supplemental benefits.

In determining the long-term incentive component of compensation, the Compensation Committee should consider the Company's performance and relative shareholder return, the value of similar incentive awards to the Chief Executive Officer and other executive officers at comparable companies, and the awards given to the Chief Executive Officer and the executive officers in past years.

6. The Compensation Committee shall review and approve, for the Chief Executive Officer and the other executive officers of the Company:

- all benefits and perquisites; and
- all employment agreements, severance arrangements, and change-in-control agreements and provisions.

7. The Compensation Committee shall review and approve, or review and recommend to the Board for its approval of, any transaction in equity securities of the Company, or derivatives of those equity securities, between the Company and any officer or director of the Company who is subject to the reporting and short-swing liability provisions of Section 16 of the Securities Exchange Act of 1934. Accordingly, at such time as the Compensation Committee is composed of at least two members each of whom is a "non-employee director" (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended) and an "outside director" (within the meaning of Section 162(m) of the Internal Revenue Code of 1986 and the applicable regulations thereunder), the Compensation Committee is delegated authority to administer, and constitutes the "Committee" for, the Huntsman Stock Incentive Plan and any other stock-based plan of the Company that may be adopted subsequent to the adoption of this Charter.

8. The Compensation Committee shall have the sole authority to retain, amend the engagement with, and terminate any compensation consultant to be used to assist in the evaluation of director, Chief Executive Officer or senior executive compensation. The Compensation Committee shall have sole authority to approve the consultant's fees and other retention terms and shall have authority to cause the Company to pay the fees and expenses of such consultants. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors, to approve the fees and expenses of such outside advisors, and to cause the Company to pay the fees and expenses of such outside advisors.

9. The Compensation Committee shall produce a Compensation Committee report on executive officer compensation as required by the Securities and Exchange Commission to be included in the Company's proxy statement for its annual meeting of stockholders.

10. The Compensation Committee shall review all proposed 10b5-1 plans and make recommendations regarding approval or disapproval of such plans to the Board, unless the Board establishes an alternative system for decision-making on such plans.

### **Responsibilities Delegated to Management**

Subject to the specific determinations to be made by the Compensation Committee as set forth above, authority relating to the following matters is delegated to management:

- review and approval of the total compensation of employees (other than executive officers and subject to individual limits that may be approved by the Compensation Committee); and
- recommendations to the Compensation Committee regarding grants to employees (other than executive officers) under the annual and long-term incentive and stock option plans (within guidelines approved by the Compensation Committee).

The Company's management shall make an annual report to the Compensation Committee on the actions taken by management during the preceding year with respect to the items enumerated above.

### **Committee Procedures**

1. **Meetings.** The Compensation Committee shall meet at the call of its chairman, two or more members of the Compensation Committee, or the Chairman of the Board. Meetings may, at the discretion of the Compensation Committee, include members of the Company's management, independent consultants, and such other persons as the Compensation Committee or its chairperson may determine. The Compensation Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law or the Company's Bylaws. The Compensation Committee shall meet as required (but in no event less than two times per year) in order to fulfill its responsibilities and to complete the activities required by this Charter.

2. **Quorum and Approval.** A majority of the members of the Compensation Committee shall constitute a quorum. The Compensation Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Compensation Committee may also act by unanimous written consent in lieu of a meeting.

3. **Rules.** The Compensation Committee may determine additional rules and procedures, including designation of a chairman pro tempore in the absence of the chairman, and designation of a secretary of the Compensation Committee or any meeting thereof.

4. **Reports.** The Compensation Committee shall make regular reports of its actions and any recommendations to the Board, directly or through the chairman.

5. **Review of Charter.** Each year the Compensation Committee shall review the adequacy of this Charter and recommend any proposed changes to the Board for approval.

6. ***Performance Review.*** Each year the Compensation Committee shall review and evaluate its own performance and shall submit itself to the review and evaluation of the Board.

7. ***Fees; Reimbursement of Expenses.*** Each member of the Compensation Committee shall be paid the fee set by the Board for his or her services as a member or chairperson of the Compensation Committee. Subject to the Company's corporate governance guidelines and other policies, members of the Compensation Committee will be reimbursed by the Company for all reasonable expenses incurred in connection with their duties as members of the Compensation Committee.