

**COMPENSATION COMMITTEE CHARTER FOR  
THE BOARD OF DIRECTORS OF DOUGLAS EMMETT, INC.  
ADOPTED AS OF OCTOBER 23, 2006**

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**I. PURPOSE OF THE COMMITTEE**

The purposes of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Douglas Emmett, Inc. (the "Company") shall be to oversee the Company's compensation and employee benefit plans and practices, including its executive compensation plans and its incentive-compensation and equity-based plans; and to review and approve the Company's executive compensation disclosures as required by the Securities and Exchange Commission ("SEC") to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall consist of three or more directors as determined from time to time by the Board, based on the recommendations of the Board's Nominating and Corporate Governance Committee. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the "NYSE"), and any additional requirements that the Board deems appropriate. Members of the Committee shall also qualify as "non-employee directors" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and shall satisfy any other necessary standards of independence under the federal securities and tax laws.

The chairperson of the Committee shall be designated by the Board, *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson.

Any vacancy on the Committee shall be filled by the Board. No member of the Committee shall be removed except by the Board, in each case based on the recommendations of the Nominating and Corporate Governance Committee.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

In carrying out its duties and responsibilities, the Committee's policies and procedures should remain flexible, so that it may be in a position to best address, react or respond to changing circumstances or conditions.

The chairperson of the Committee (or in his or her absence, a member designated by the chairperson) shall preside at each meeting of the Committee and, in consultation with the other Committee members and management, set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee or the Company's Corporate Governance Guidelines.

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The Committee will have the following duties and responsibilities:

- (a) Review at least annually
  - The goals and objectives of the Company's executive compensation plans, general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.
  - The Company's executive compensation plans, general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, in light of the Company's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt, or recommend to the Board the adoption of, new, or the amendment of existing, executive compensation plans.
  - The performance of the Chief Executive Officer in light of the goals and objectives of the Company's executive compensation plans, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the Chief Executive Officer's compensation level based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee shall consider all relevant factors, including the Company's performance and relative stockholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the Chief Executive Officer in past years. The Committee may discuss the Chief Executive Officer's compensation with the Board if it chooses to do so.
  - The performance of the other executive officers of the Company in light of the goals and objectives of the Company's executive compensation plans, and make recommendations to the Board with respect to the

compensation of such other executive officers. To the extent that long-term incentive compensation is a component of such executive officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the Chief Executive Officer.

- Any executive compensation plan of any subsidiary of the Company, including without limitation, any LTIP unit award program of the Company's operating partnership.
- (b) Review and approve any employment agreement or any severance or termination agreement or arrangements to be made with any executive officer of the Company.
- (c) Review perquisites or other personal benefits of the Company's executive officers or Board members and recommend any changes to the Board.
- (d) [Review and approve the Company's executive compensation disclosures] [Produce a Committee report on executive compensation] as required by the SEC to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC. [To be updated based on final SEC rules re: executive compensation disclosure.]
- (e) Review all equity-compensation plans to be submitted for stockholder approval under the NYSE listing standards, and to review and, in the Committee's sole discretion, approve all equity-compensation plans that are exempt from such stockholder approval requirement.
- (f) Perform such duties and responsibilities as may be assigned to the Board or the Committee under the terms of any executive compensation plan or as the Board may from time to time direct.

## **V. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisers as it deems necessary. The Committee shall have the sole authority to retain or terminate any compensation consultant to assist the Committee in carrying out its responsibilities and to approve such consultant's fees and other retention terms with any such fees being borne by the Company.