

ABGENIX, INC.
COMPENSATION COMMITTEE CHARTER
(effective as of February 11, 2004)

There shall be a Committee of the Board of Directors to be known as the Compensation Committee with purpose, composition, duties and responsibilities, as follows:

- 1. Purpose of the Committee.** The Committee's basic purposes are (i) to periodically review the overall compensation philosophy of the Company; (ii) to assure that the officers and senior executives of the Company are compensated in a manner consistent with the stated compensation philosophy of the Company, internal equity considerations, the competitive environment and applicable regulatory requirements; (iii) to establish compensation and incentive plans and programs, and to review and approve compensation and awards for officers of the Company under such plans and programs, and (iv) to be the administering committee for such stock option and other stock-based plans of the Company as may be designated by the Board of Directors.
- 2. Composition of the Committee.** The Board of Directors shall appoint the members of the Committee. The Committee will be composed of not less than three Board members. Every member of the Committee shall be an independent director, as that term is defined by the Board of Directors, consistent with current law. The Board of Directors shall designate the Chairman of the Committee. The Chairman of the Board, any member of the Committee or the Secretary of the Company may call meetings of the Committee.
- 3. Duties and Responsibilities.** The specific authority and duties of the Committee shall include the following:

 - Periodically review, modify and approve the overall compensation philosophy of the Company
 - Establish, periodically review, modify, and approve compensation and incentive plans and programs for elected officers and director-level employees of the Company, including stock-based plans and programs, subject to applicable stockholder approval requirements.
 - Review periodically and establish the salaries, bonuses and perquisites of the officers of the Company and its subsidiaries, including the Chief Executive Officer.
 - Review periodically the performance of the officers of the Company, including the Chief Executive Officer.

- Review periodically the compensation paid to the members of the Board of Directors, in connection with their service on the Board and its committees and recommend changes in such compensation as it deems appropriate to the full Board of Directors.
- Pursuant to the 1998 Directors Option Plan, determine (i) annually the size of the automatic stock option grant to be made to non-employee members of the Board of Directors, and (ii) the size of the initial grant to be made to new non-employee members of the Board of Directors.
- Act as administering committee of the following plans, with such authority and powers as are set forth in the respective plan instruments, including but not limited to the granting of stock options and shares of stock of the Company to officers and employees:
 - 1996 Incentive Stock Plan
 - 1999 Nonstatutory Stock Option Plan
- Review for approval or disapproval special hiring or termination packages for officers of the Company and its subsidiaries that exceed the Board's adopted criteria establishing management authority to approve such packages, if it is determined by the members of the Committee that approval by the full Board is not necessary or convenient.
- Review for approval or disapproval the appointment of corporate officers other than the required corporate officers specified in Article 5.1 of the Amended and Restated Bylaws of the Company and senior vice presidents.
- Review Company loans to employees and the Company's practice regarding employee loans.
- To the extent it deems necessary, recommend to the Board of Directors the establishment or modification of employee stock-based plans for the Company and its subsidiaries.
- To the extent it deems necessary, review and advise the Board of Directors regarding other compensation plans.
- To the extent requested by the Board of Directors, review and advise the Board regarding broad-based employee benefit plans (such as medical or insurance plans) not specifically delegated to the Committee.

- Make such delegations of authority and responsibility as the Committee deems proper and periodically review such delegations.
- Engage independent consultants to report directly to the Committee and advise it with respect to any of the matters within its scope of authority.
- Prepare and approve the Report of the Compensation Committee for inclusion in the Company's annual proxy statement as required by applicable law.
- Report to the Board of Directors concerning the Committee's activities.

4. **Exceptions.** Notwithstanding any implication to the contrary above:

- The Committee shall not be empowered to approve broad-based employee benefit plans (such as medical or insurance plans) not specifically delegated to the Committee, and the approval of any such plans shall remain the responsibility of the Board or the officers of the Company and its subsidiaries, consistent with applicable grants of authority.
- The Committee shall not be empowered to approve matters which applicable law, the Company's charter, or the Company's bylaws require be approved by a vote of the whole Board.