

TEEKAY CORPORATION
COMPENSATION AND HUMAN RESOURCES COMMITTEE
CHARTER

Purpose and Authority:

The purpose of the Compensation and Human Resources Committee (the "Committee") is to discharge the responsibilities of the Board relating to compensation of the Company's executives and its Board of Directors. The Committee shall have overall responsibility for approving and evaluating compensation plans, policies and programs of the Company. In addition, the Committee shall cause the preparation of any executive compensation report of the Committee included in the Company's annual proxy statement or in any public disclosure of the Company

The Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Board.

Composition:

Independence

The Committee shall be composed of three or more directors, as determined by the Board, each of whom shall meet, as determined by the Board, the independence standards established by the New York Stock Exchange, other applicable laws and regulations governing independence, and the Company's Corporate Governance Guidelines from time to time.

Appointment and Removal of Members

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Governance Committee. The Board may remove any member from the Committee at any time with or without cause.

Duties and Responsibilities:

The Committee shall have the following duties and responsibilities, in addition to any duties and responsibilities assigned to the Committee from time to time by the Board.

Compensation Philosophy and Goals

- Review, oversee, and recommend to the Board an executive compensation philosophy for the Company and approve and annually review policies regarding executive compensation programs and practices.
- Review and recommend to the Board for approval any material changes thereto.

CEO and Executive Compensation

- Annually review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of these goals and objectives, and use the Committee's sole authority to set the Chief Executive Officer's total compensation (including salary, bonus, perquisites, incentive and equity compensation) based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation the Committee may consider, among other relevant factors, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Chief Executive Officer in past years.
- Annually review and approve the evaluation process and compensation structure for the Company's executive officers other than the Chief Executive Officer, oversee and approve the CEO's decisions on the performance of these other executive officers, and approve the total compensation (including salary, bonus, perquisites, incentive and equity compensation) for these other executive officers based on this evaluation.
- Provide oversight of management's decisions concerning the performance and total compensation of non-executive officers.
- Establish and oversee annual and long-term incentive compensation plans for executive officers.
- Recommend to the Board for its approval and, where appropriate, submission to the Company's shareholders, incentive compensation plans and equity-based plans, and periodically review these plans and recommend to the Board any changes.
- Recommend to the Board for its approval changes to executive compensation policies and programs.
- Review and approve all special executive employment, compensation, severance, change in control and retirement agreements or arrangements, including any arrangement for an executive involving any subsidiary, affiliate or special purpose entity.

Compensation Risk Assessment

- To periodically review management's assessments regarding whether the risks arising from the Company's compensation policies and practices for employees are reasonably likely to have a material adverse effect on the Company and to review and approve, for the Company's executive officers, and provide oversight of management's decisions, for the Company's non-executive officer and other employees, any new or revised policies and/or practices recommended to address any such risks identified, as appropriate.

Stock Ownership Guidelines

- Annually review executive stock ownership and, if determined to be appropriate by the Committee, develop and recommend to the Board, executive stock ownership guidelines, and monitor progress toward meeting any such guidelines.

Retirement Plans

- Recommend to the Board for Board action all retirement plans (including executive-only and rank and file plans) and all plan amendments that are non-administrative in nature.
- Fulfill fiduciary and non-fiduciary functions in accordance with applicable law, including, without limitation, by approving and recommending to the Board for Board action:
 - the designation of the trustee and the execution of trust agreements for any such plan or plans;
 - the termination, merger or consolidation of any such plan or plans; and
 - the extension of plan participation to employees of affiliates or subsidiaries.
- Periodically review plan administration, participation and regulatory compliance of all retirement plans.

Non-executive Incentive Plans

- Review management's recommendations for other non-executive incentive plans and annually review plan goals and results.

Board Compensation

- Review the Company's director compensation practices in relation to comparable companies, and recommend to the Board, as appropriate, revisions to director compensation practices.
- Periodically review the desirability of, and, if determined to be appropriate by the Committee, develop and recommend to the Board, director stock ownership guidelines and monitor compliance with such guidelines.

Reports

- Regularly report to the Board on significant matters arising from the Committee's activities.

Compensation Advisers

- The Committee shall have the authority, in its sole discretion, to retain (or obtain the advice of) and terminate a compensation consultant, independent legal counsel or other adviser ("Compensation Adviser") to assist the Committee with the discharge of its duties under this Charter. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Compensation Adviser retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any Compensation Adviser engaged by the Committee.

- The Committee may select a Compensation Adviser only after taking into consideration all factors relevant to that person's independence from management, including the following:
 - The provision of other services to the Company by the person that employs the Compensation Adviser;
 - The amount of fees received from the Company by the person that employs the Compensation Adviser, as a percentage of the total revenue of the person that employs the Compensation Adviser;
 - The policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest;
 - Any business or personal relationship of the Compensation Adviser with a member of the Committee;
 - Any stock of the Company owned by the Compensation Adviser; and
 - Any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with any Executive Officer.
- After considering the independence factors outlined above, the Committee may select, or receive advice from, any Compensation Advisers it prefers, including ones that are not independent. The Committee is not required to conduct the independence assessment outlined above for in-house counsel or any Compensation Adviser whose role is limited to the following activities: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of Executive Officers or directors of the Company, and that is available generally to all salaried employees; and/or (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the Compensation Adviser, and about which the Compensation Adviser does not provide advice.
- If the Committee determines that the work performed by a compensation consultant retained by the Committee has raised any conflict of interest, the Committee shall disclose to the Board the nature of such conflict of interest and how it is being addressed. In determining whether a conflict of interest exists, the Committee shall consider the factors described above and the other requirements of Item 407(e)(3)(iv) of Regulation S-K.

Meetings:

The Committee shall establish a meeting calendar annually. The Committee may hold such other meetings as are necessary or appropriate for the Committee to fulfill its responsibilities.

The Committee should hold an *in-camera* session without management present, including management directors at least once annually.

Evaluation:

The Committee shall review and reassess this Charter at least annually and, if appropriate, propose changes to the Board.

The Committee shall obtain or perform an annual evaluation of the Committee's performance and effectiveness of the Committee against its Charter and make applicable recommendations for improvement.

Adopted: September 12, 2006

Last Reviewed: June 2016