

**CBS CORPORATION**  
**COMPENSATION COMMITTEE CHARTER**

***Purpose***

The primary purpose of the Committee is to discharge the responsibilities of the Board relating to the compensation of the Company's executive officers and other senior executives. As set forth in this charter, the Committee has overall responsibility for compensation packages and for evaluating and making recommendations to the Board regarding equity-based and incentive compensation plans, policies and programs of the Company.

***Composition***

1. Members. The Committee shall consist of as many members as the Board, in consultation with the Committee itself, shall determine, but in any event not fewer than three members; provided however, in the event of a vacancy in Committee membership, the Committee shall be considered to be properly constituted, until the Board acts to fill such vacancy, so long as there are at least two Committee members. The members of the Committee shall be appointed annually by the Board, taking into account the recommendation of the Nominating and Governance Committee of the Board.
2. Qualifications. Each member of the Committee shall meet the criteria for independence established by the New York Stock Exchange. In addition, the Committee shall also satisfy the relevant requirements established pursuant to regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended ("Section 162(m)").
3. Chair. The Chair of the Committee shall be elected by the Board, taking into account the recommendation of the Nominating and Governance Committee.
4. Removal and Replacement. The members of the Committee may be removed or replaced, and any vacancies on the Committee shall be filled, by the Board, taking into account the recommendation of the Nominating and Governance Committee of the Board.

***Operations***

1. Meetings. The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee will meet at least four times per year. The Chair of the Committee will determine in advance of each meeting whether non-Committee members may attend the meeting. The Chair shall also determine whether participation in the meeting by teleconference or videoconference will be permitted.

2. Agenda. The Chair of the Committee shall review and approve the Committee's final agenda, in consultation with other members of the Committee. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be provided to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
3. Report to the Board. The Committee shall report regularly to the entire Board and shall submit to the Board the minutes of its meetings (without confidential individual compensation information).
4. Self-Evaluation; Assessment of Charter. The Committee shall conduct an annual performance self-evaluation and shall report to the entire Board the results of such self-evaluation. The Committee shall assess the adequacy of this Charter at least every other year, or more frequently as the Committee may determine, and recommend any changes to the Board.

### ***Authority and Duties***

The Committee is empowered to retain compensation consultants having special competence to assist the Committee in evaluating executive officer and employee compensation. The Committee has the sole authority to retain and terminate such consultants and to review and approve such consultants' fees and other retention terms. The Committee also has the authority to obtain advice and assistance from internal advisors or other external advisors as it deems appropriate to assist the Committee in fulfilling its responsibilities. The Committee has the authority to request that any officer or employee of the Company or the Company's outside counsel attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall, among other things:

1. Approve the total compensation package (including, without limitation, their base salaries, annual incentives, deferred compensation, equity-based compensation, incentive compensation, perquisites and other compensatory arrangements) for all the Company's Section 16(b) officers and such other senior executives identified by the Committee after consultation with the Company's Chief Executive Officer and Executive Vice President, Human Resources and Administration, and to the extent that this group numbers less than 20 people, the next highest paid executive(s) (excluding "talent"), who earn more than \$5 million in total compensation in descending order until the group numbers 20 people. The executive officers and other employees whose compensation packages are subject to approval by the Committee are hereinafter referred to as the "Specified Employees". The determination of whether any person is among the 20 most highly-compensated employees of the Company will

be made at the beginning of each calendar year based on the person's annual cash compensation at that time (assuming for this purpose that the person's actual cash bonus would be equal to the person's target bonus). The Committee shall make all determinations and take any actions that are reasonably appropriate or necessary in the course of establishing the compensation of the Specified Employees.

2. Approve all equity and equity-based compensation for the Specified Employees and for all other employees of the Company except to the extent that the Committee has authorized specified members of management to approve equity compensation (including stock options and restricted share units) to such employees based on guidelines approved by the Committee from time to time.
3. Review and approve corporate goals and objectives relevant to the compensation of the Chairman of the Board and the Chief Executive Officer. Together with the Nominating and Governance Committee, evaluate annually the performances of the Chairman and the Chief Executive Officer in light of these goals and objectives and report the results of the evaluations to the non-management directors. The Committee shall set the compensation levels of the Chairman and the Chief Executive Officer taking into account the evaluations. In determining the long-term incentive component of the Chairman's and the Chief Executive Officer's compensation, the Committee shall consider, without limitation, the Company's financial performance, relative shareholder return, the value of incentive awards to executives in similar positions at comparable companies, and the awards given to the Chairman and the Chief Executive Officer in past years. The Committee will report to the Board on this process.
4. Review the evaluation of the performance of other executive officers by the Chairman and/or the Chief Executive Officer, as appropriate.
5. Review periodically and make recommendations to the Board regarding the Company's incentive compensation plans applicable to the Company's executive officers and other senior executives including, but not limited to, the bonus plan for executives subject to Section 162(m) (the "Section 162(m) Plan") and the equity-based plans (collectively, the "Plans"), the appropriateness of the allocation of benefits under the Plans and the extent to which such Plans are meeting their intended objectives and, where appropriate, recommend that the Board modify any Plan that yields payments and benefits that are not reasonably related to employee performance.
6. Oversee the administration of the Plans in accordance with their terms, construe all terms and provisions, conditions and limitations of such Plans

and make factual determinations required for the administration of such Plans.

7. Determine which executive officers shall participate in the Section 162(m) Plan, establish and certify the attainment of performance targets and determine specific bonuses for the participants pursuant to Section 162(m).
8. Review all new employment, consulting, retirement and severance arrangements for the Specified Employees.
9. Review reports from the CBS Retirement and Investments Committees on developments relating to the design of the Company's ERISA-governed employee benefit plans from time to time, or whenever it shall be called upon to do so.
10. Review and report to the Board, from time to time or when it shall be called upon to do so, with respect to the depth of the senior management of the Company, including, without limitation, their experience, responsibilities, advancement potential and diversity.
11. Adopt and periodically review the Company's philosophy, strategy and principles regarding the design and administration of the Company's compensation programs.
12. Publish an annual Compensation Committee Report to stockholders in the Company's proxy statement in compliance with the requirements of the Securities and Exchange Commission.

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its oversight function. The Committee has the power to delegate its authority and duties to subcommittees or individuals as it deems appropriate and in accordance with applicable laws and regulations. In discharging its oversight role, the Committee shall have full access to the Company's senior management and employees and all Company books, records and facilities. The failure of any member of the Committee to meet the qualifications provided in this Charter shall not invalidate any determination or action taken by the Committee.