

Purpose

The primary purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Archrock, Inc. (the “Company”) is to discharge the Board’s responsibilities relating to compensation of the Company’s directors, chief executive officer (the “CEO”) and other executive officers, including by adopting a compensation philosophy and strategy that (i) assists management in the identification, development and retention of superior executive talent, (ii) rewards employees for valuable performance consistent with the Company’s values and (iii) endeavors to align the interests of management and the Company’s stockholders. The Committee is also responsible for producing an annual report on executive compensation and approving the Compensation Discussion and Analysis (the “CD&A”), both for inclusion in the Company’s annual proxy statement or annual report on Form 10-K (“Form 10-K”) filed with the U.S. Securities and Exchange Commission (the “SEC”).

Membership

The Committee shall consist of a minimum of three directors. The members of the Committee, as well as the Committee chairperson, shall be recommended by the Nominating and Corporate Governance Committee and appointed by and serve at the pleasure of the Board and may be removed, with or without cause, by the Board. All members of the Committee shall be “independent” as defined under applicable law, regulation, the Company’s Corporate Governance Principles and the rules of the New York Stock Exchange (“NYSE”). Additionally, each member of the Committee shall (i) be a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended and (ii) satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code.

Meetings

The Committee shall meet at least twice per year, with such additional meetings as deemed necessary. A majority of the Committee’s members shall constitute a quorum, and all matters shall be determined by a majority vote of the members present. The Committee may take action by unanimous written consent in lieu of a meeting. The Committee shall report its actions and recommendations to the full Board as soon as practicable after each meeting.

The Committee has 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.

Responsibilities

The Committee shall have the following authority and responsibilities:

1. Approve the annual and long-term performance goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives and

determine and approve the CEO's compensation based on this evaluation and other factors deemed relevant by the Committee. During its consideration of the compensation of the CEO, the Committee shall meet in executive session without the CEO present.

2. Review and discuss the CD&A, and produce a Compensation Committee Report on executive compensation as required by the SEC, to be included in the Company's annual proxy statement or Form 10-K filed with the SEC.
3. Review and approve on an annual basis the Company's compensation philosophy and strategy consistent with the Company's values, operating principles and objectives and with the goal of aligning the interests of management and the Company's stockholders.
4. Approve matters related to non-CEO executive officer compensation, incentive-compensation plans and equity-based plans. The Committee shall, to the extent permitted by law and the operative plan documents, have and shall exercise all the authority of the Board with respect to the administration, amendment, modification and approval of such plans, and shall carry out the responsibilities delegated to it under such plans; provided, however, that any change requiring stockholder approval shall be first submitted to the full Board for consideration and approval.
5. Review and recommend to the Board on an annual basis non-employee director compensation and benefits. In discharging this duty, the Committee shall be guided by three goals: (i) compensation should fairly pay directors for work required in a company of the Company's size and scope; (ii) compensation should align directors' interests with the long-term interests of stockholders; and (iii) the structure of the compensation should be simple, transparent and easy for stockholders to understand. The Chairman of the Board shall, if he or she is a member of the Committee, recuse himself or herself from all discussions and recommendations regarding his or her own compensation as Chairman. Directors who are employees of the Company may not receive any additional compensation for service on the Board.
6. In consultation with management, oversee SEC, NYSE and other regulatory compliance with respect to compensation matters, including the rules and regulations regarding stockholder approval of certain executive compensation matters, such as advisory votes on executive compensation, the frequency of such votes and stockholder approval of equity compensation plans.
7. Provide oversight of management's decisions concerning the performance and compensation of other Company officers and employees.
8. When and as appropriate, review and approve all employment agreements, severance arrangements and change-in-control agreements with the CEO and other members of senior management.
9. Oversee the management of risk relating to (i) the Company's executive compensation plans and arrangements, (ii) executive management succession planning and (iii) broad-based strategies related to human capital management.

10. Conduct an annual performance evaluation of the Committee to determine if it is functioning effectively.
11. At least annually, review the adequacy of the Committee's Charter and recommend any proposed changes to the Board for consideration and approval.

In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purpose of the Committee, applicable NYSE rules and the Company's bylaws, including, but not limited to, investigations into any matters within the scope of the duties and responsibilities delegated to the Committee.

Authority

The Committee shall have the authority to

- delegate any of its responsibilities to subcommittees, as the Committee may deem appropriate in its sole discretion;
- retain or obtain the advice of an independent compensation consultant, independent legal counsel or other independent adviser in its sole discretion; and
- seek any information it requires from employees, officers and other Board members.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee. Prior to selecting any adviser, the Committee shall consider factors relevant to such adviser's (or his or her employer's) independence, including those required to be considered by the rules of the SEC and applicable requirements and guidelines of the NYSE.

The Committee shall be provided with appropriate funding by the Company as determined by the Committee for payment of (i) compensation to any advisers employed by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.