

PARSLEY ENERGY, INC.
CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS
(As amended August 4, 2020)

I. Introduction

The Board of Directors (the “Board”) of Parsley Energy, Inc. (the “Company”) has established the Compensation Committee of the Board (the “Committee”) with the authority, responsibilities and specific duties as described in this Charter of the Committee, as amended from time to time (this “Charter”).

II. Purposes

The purposes of the Committee are to:

- A. Oversee the design and administration of the Company’s compensation programs with the goal that such programs (i) provide a competitive level of compensation to attract and retain talented directors and executives, (ii) reward and encourage maximum corporate and individual performance, (iii) promote accountability and (iv) ensure that director and executive interests are aligned with the interests of the Company’s stockholders;
- B. Review, evaluate and approve the agreements, plans, policies and programs of the Company to compensate the Company’s directors and those employees of the Company or its affiliates serving as Senior Vice Presidents or in a more senior position, including all executive officers of the Company (collectively, the “Designated Executives”);
- C. Review and discuss with the Company’s management the annual Compensation Discussion and Analysis (“CD&A”) and determine whether to recommend to the Board that the CD&A be included in the Company’s proxy statement for its annual meeting of stockholders (“Proxy Statement”) or Annual Report on Form 10-K, as applicable, in accordance with applicable rules and regulations;
- D. Prepare the Compensation Committee Report, as required by Item 407(e)(5) of Regulation S-K, and approve the report for inclusion in the Proxy Statement or Annual Report on Form 10-K, as applicable, in accordance with applicable rules and regulations;
- E. Otherwise discharge the Board’s responsibilities relating to compensation of the Company’s directors and the Designated Executives; and
- F. Perform such other functions as the Board may assign to the Committee from time to time.

III. Membership

The Committee must consist of not less than two members of the Board. Each member of the Committee must be “independent” as defined by the listing requirements of the New York Stock Exchange (the “NYSE”) and a “non-employee director” as such term is defined in Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Notwithstanding the foregoing membership requirements and subject to applicable law, no action of the Committee will be invalid by reason of any such requirement not being satisfied at the time such action is taken.

The members of the Committee and its Chairman will be selected annually by the Board, based on the recommendation of the Nominating, Environmental, Social and Governance Committee of the Board, and will serve at the pleasure of the Board. Any vacancy on the Committee will be filled by, and any member of the Committee may be removed by, an affirmative vote of a majority of the Board. If a Chairman is not designated by the Board or present at a meeting, the Committee may designate a temporary Chairman by majority vote of the Committee members then in attendance. The Chairman of the Committee shall be responsible for leadership of the Committee, including presiding over the meetings of the Committee and reporting to the Board.

IV. Authority and Responsibilities

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. Without limiting the generality of the preceding statement, the Committee has the authority, and is entrusted with the responsibilities, described below:

A. Authority

The Committee has the authority to:

1. Review, or authorize or conduct investigations into, any matter within the scope of the responsibilities delegated to the Committee as it deems appropriate, including the authority to request any officer, employee or advisor of the Company or its affiliates to meet with the Committee or any advisors engaged by the Committee.
2. Utilize any Company resources (including books, records, facilities and personnel) that are necessary or appropriate to fulfill the Committee’s responsibilities under this Charter.
3. Retain and determine funding for independent legal counsel, compensation consultants, other experts and advisors (collectively, “Committee Advisors”), including the authority to retain, approve the fees payable to, amend the engagement with, and terminate any Committee Advisor, and other resources, as it deems necessary or appropriate to fulfill the Committee’s responsibilities under this Charter. The Committee may also utilize the services of the Company’s regular outside legal counsel or other advisors to the Company. The Company must provide for appropriate funding, as determined by the Committee, for payment of

(a) compensation to any Committee Advisor engaged by the Committee and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

4. Delegate to its Chairman, any one of its members or any subcommittee it may form, the responsibility and authority for any particular matter, as it deems appropriate from time to time under the circumstances and consistent with applicable law and the rules and regulations of the Securities and Exchange Commission (the “SEC”) and the NYSE. However, subcommittees do not have the authority to engage independent legal counsel and other experts and advisors unless expressly granted such authority by the Committee. Each subcommittee will keep minutes and regularly report to the Committee. In addition, the Committee may delegate its duties or authority under the Company’s incentive compensation and equity-based compensation plans (including the approval of award grants and other transactions and responsibilities regarding the administration of compensatory programs), to such agents as it may appoint from time to time, including officers or managers of the Company or any of its subsidiaries, subject to such terms, rules, policies and guidelines (including limits on the aggregate awards that may be made pursuant to such delegation) as the Committee shall approve or determine; provided that, such delegation may not (a) result in the loss of an exemption under Section 16b-3(d)(1) of the Exchange Act for awards granted to persons subject to Section 16 in respect of the Company, or (b) violate any applicable law or the rules and regulations of the SEC and the NYSE.

B. *Responsibilities*

The Committee has the following responsibilities:

Executive Compensation

1. The Committee will exercise oversight of all matters of compensation policy relating to the Designated Executives.
2. On an annual basis, the Committee will:
 - Review, modify (if necessary) and approve the Company’s peer companies, if any, and data sources for purposes of evaluating the Company’s compensation competitiveness and establishing the appropriate competitive positioning of the levels and mix of compensation elements;
 - Review, modify (if necessary) and approve corporate goals and objectives relevant to the compensation of the Designated Executives;

- Review, modify (if necessary) and approve the Company's executive compensation program and/or plans in light of the Company's goals and objectives relative to executive compensation;
 - Evaluate the performance of the Chief Executive Officer and, in consultation with the Chief Executive Officer, the other Designated Executives in light of the Company's executive compensation goals and objectives; and
 - Set the compensation of the Chief Executive Officer and, in consultation with the Chief Executive Officer, the other Designated Executives based on this evaluation, including annual base salary levels; annual cash incentive awards; long-term incentive awards; and any special or supplemental benefits. In determining the long-term incentive component (if any) of such compensation, the Committee will consider all relevant factors, including, for example, the Company's performance and relative stockholder return, the value of similar awards to chief executive officers at comparable companies, and the awards historically given to the Chief Executive Officer and the Designated Executives.
 - Review and approve any new or materially amended employment, severance, and change-in-control agreements, plans or provisions, and any other compensatory arrangements, as the Committee determines is appropriate, with current or prospective Designated Executives of the Company.
3. On an annual basis, the Committee will review and discuss with the Company's management the CD&A and, based on that review, determine whether to recommend to the Board that the CD&A be included in the Proxy Statement or Annual Report on Form 10-K, as applicable, in accordance with applicable rules and regulations.
 4. On an annual basis, the Committee will prepare a Compensation Committee Report, as required by Item 407(e)(5) of Regulation S-K, and approve the report for inclusion in the Proxy Statement or Annual Report on Form 10-K, as applicable, in accordance with applicable rules and regulations.
 5. If directed by the Board, the Committee will administer the Company's Incentive Compensation Recoupment Policy in accordance with the terms of such policy.
 6. The Committee will review and recommend to the Board how frequently the Company should permit stockholders to have an advisory vote on

executive compensation (“say-on-pay”). This review should take into account the historical results of stockholder advisory votes on the frequency of say-on-pay resolutions at the Company.

7. Following each stockholder meeting at which say-on-pay resolutions are proposed for a stockholder advisory vote, the Committee will review the results of the advisory vote, and consider whether to make any adjustments to the Company’s executive compensation policies and practices as a result of such vote.
8. The Committee will support management’s engagement with stockholders and proxy advisory firms on executive compensation matters and participate in such outreach to the extent the Company deems such participation appropriate and advisable. In collaboration with management, the Committee will review and consider any appropriate feedback garnered through such stockholder engagement that may be in effect from time-to-time and, if deemed appropriate by the Committee, recommend to the Board whether and, if so, how the Company should respond to such feedback.

Incentive and Equity Compensation

1. On an annual basis, the Committee will review and make recommendations to the Board with respect to incentive-compensation plans and equity-based plans that are subject to Board approval.
2. The Committee will ensure that stockholders are given the opportunity to vote on the Company’s equity compensation plans, as may be required by law, the Company’s Certificate of Incorporation or Bylaws (in each case, as amended from time to time), the Company’s Corporate Governance Guidelines and the listing standards of the NYSE.

Director Compensation

1. On an annual basis, the Committee will review, modify (if necessary) and approve any changes to the Company’s director compensation program in light of the Company’s goals and objectives relative to director compensation and will determine the form and amount of director compensation. In reviewing the Company’s director compensation program, if deemed necessary or appropriate by the Committee, the Committee may consider the form and amount of compensation paid to the directors of the Company’s peer or other relevant companies or any other market data, indexes or information that the Committee determines relevant to its review. In addition, the Committee, in its sole discretion, may (a) cause the Company to disclose in its Proxy Statement or in its Annual Report on Form 10-K, as applicable, a description of its decision-making process in reviewing and/or modifying the Company’s director

compensation program, including a description or summary of any materials reviewed by the Committee or any other relevant disclosure or (b) recommend to the Board that a proposal to approve the Company's director compensation program be included in the Proxy Statement or in its Annual Report on Form 10-K, as applicable. Directors who are employees of the Company or its affiliates may not receive any additional compensation for service on the Board.

Other Powers and Responsibilities

1. The Committee will review and approve, or review and recommend to the Board for its approval of, any transaction in equity securities of the Company, or derivatives of those equity securities, between the Company and any officer or director of the Company who is subject to the reporting and short-swing liability provisions of Section 16 of the Exchange Act.
2. The Committee will review, as it deems necessary, appropriate matters related to the Company's and its affiliates' compliance with applicable laws and regulations affecting employee and director compensation and benefits, including, but not limited to, Sections 16b-3 and 13(k) of the Exchange Act and Section 162(m) of the Internal Revenue Code.
3. The Committee will monitor compensation and regulatory developments and trends and will solicit independent advice with respect to the same as it deems necessary.
4. If the Committee engages a Committee Advisor, then the Committee is directly responsible for the appointment, compensation and oversight of that Committee Advisor. Prior to any such engagement, the Committee will evaluate and confirm the Committee Advisor's independence by analyzing the relationships that the Committee Advisor has with members of the Committee, Company management and the Company as a whole. This analysis will include the specific factors identified by the SEC (including those set forth in Item 407(e)(3)(iii) of Regulation S-K and Section 10C-1(b)(4)(i)-(vi) of the Exchange Act) and the NYSE (including those specified in Section 303A.05(c) of the NYSE Listed Company Manual) as well as any other factors that affect the independence of compensation advisors.
5. The Committee will receive and review periodic reports on the Company's and its affiliates' compensation plans, policies and programs as they affect the Designated Executives, and may delegate such responsibility with respect to compensation plans, policies and programs as they affect all other employees to the executive officers of the Company or its affiliates.
6. On an annual basis, the Committee will evaluate the compensation policies and practices for all employees to ensure they do not pose risks

that are reasonably likely to have a material adverse effect on the Company or its affiliates.

7. The Committee will receive periodic updates from management regarding the Company's human resources and talent management policies, strategies and initiatives, which may include benefits, leadership development and cultural and diversity management.

V. Procedures

- A. **Meetings.** The Committee will meet at the request of its Chairman, two or more members of the Committee or the Chairman of the Board. The Committee will meet as frequently as circumstances dictate. Meetings of the Committee may be in person, by conference call or video and will be held at such time and place, and upon such notice, as its Chairman may from time to time determine, in each case in accordance with the Company's Bylaws. The Committee will keep such records of its meetings as it deems appropriate.

Meetings may, at the discretion of the Committee, include other directors, members of the Company's management, independent advisors and consultants or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee, but may not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event are not entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, (i) any director who is not a member of the Committee or (ii) any Designated Executive. The Committee may hold executive sessions at which no members of management of the Company are present. The Committee shall meet in executive session on compensation matters pertaining to the CEO.

- B. **Quorum and Approval.** A majority of the Committee's members will constitute a quorum at any meeting of the Committee. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
- C. **Rules.** The Committee may determine additional rules and procedures, including designation of a secretary of the Committee at any meeting thereof.
- D. **Reports.** The Committee will maintain minutes of its meetings and make regular oral or written reports to the Board, directly or through its Chairman, of its actions and any recommendations to the Board.
- E. **Review of Charter.** The Committee will periodically review the need for changes in this Charter and recommend any proposed changes to the Board for approval.

- F. ***Performance Review.*** On an annual basis, the Committee will review and evaluate its own performance and submit itself to a review and evaluation by the Board.
- G. ***Fees; Reimbursement of Expenses.*** Each member of the Committee, as well as the Chairman, will be paid the fee set by the Board or a committee thereof for his or her services as a member, or Chairman, as the case may be, of the Committee. Subject to the Company's Corporate Governance Guidelines and other policies, Committee members, including the Chairman, will be reimbursed by the Company for all reasonable expenses incurred in connection with their duties as Committee members or as Chairman.

VI. Posting Requirement

The Company will make this Charter available on or through the Company's website as required by applicable rules and regulations. In addition, the Company will disclose in its annual Proxy Statement or in its Annual Report on Form 10-K, as applicable, that a copy of this Charter is available on the Company's website and provide the website address.

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