

# **WILLIS GROUP HOLDINGS LIMITED**

## **Compensation Committee Charter**

### **Purpose and Responsibility**

The Compensation committee (the “Committee”) of the Board of Directors (the “Board”) of Willis Group Holdings Limited (the “Company”) shall have the purpose and responsibility to:

1. In consultation with senior management, establish the Company’s general compensation philosophy, and oversee the development and implementation of compensation programs.
2. Review and approve annually corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (“CEO”), evaluate the performance of the CEO in light of those goals and objectives, and (either as a committee or together with the other independent directors, as directed by the Board) set the CEO’s compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee shall consider, among other factors, the Company’s performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the CEO in the past years and such other factors as the Committee may deem relevant.
3. Review and approve compensation programs applicable to the senior management of the Company.
4. Make recommendations to the Board with respect to non-CEO compensation and the Company’s existing and proposed incentive compensation plans and equity-based plans, oversee the activities of the employees and management committees responsible for administering these plans and discharge any responsibilities imposed on the Committee by any of these plans and approve any new equity compensation plans or any material change to existing plans where shareholder approval has not been obtained.
5. In consultation with senior management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company’s policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
6. Prepare and issue the evaluations and reports required under “Committee Reports” below.
7. Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company’s compensation programs.

### **Committee Membership**

The Committee shall consist of a minimum of three members of the Board who shall be appointed by the Board in accordance with the independence requirements of the New York Stock Exchange. They shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

### **Committee Structure and Operations**

The Board shall designate one member of the Committee as its chairperson. The Committee shall meet in person or telephonically at least twice a year at a time and place determined by

the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson.

The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The CEO shall not attend the portion of any meeting during which the CEO's performance or compensation is discussed, unless specifically invited by the Committee.

### **Delegation to Subcommittee**

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee in accordance with the Company's bye-laws. In particular, the Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the Committee who are (i) "Non-Employee Directors" for the purposes of Rule 16b-3 of the Securities Exchange Act of 1934, as in effect from time to time, and (ii) "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time.

### **Committee Reports**

The Committee shall produce the following reports and provide them to the Board:

- 1 An annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement in accordance with applicable Securities and Exchange Commission ("SEC") rules and regulations.
- 2 An annual performance evaluation of the Committee, comparing the performance of the Committee with the requirements of this charter and setting forth the goals and objectives of the Committee for the upcoming year. The performance evaluation should also recommend to the Board any improvements to this charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.
- 3 A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

### **Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants. The Committee shall have the sole authority to select, retain and terminate a compensation consultant and to approve the consultant's fees and other retention terms.