



**MEAD JOHNSON NUTRITION COMPANY  
COMPENSATION AND MANAGEMENT DEVELOPMENT  
COMMITTEE CHARTER**

**Purpose**

The Compensation and Management Development Committee (“Committee”) is appointed by and acts on behalf of the board of directors (“Board”) of Mead Johnson Nutrition Company (“Company”). It is responsible for (i) discharging the Board’s responsibilities relating to the compensation of the Company’s executives, (ii) overseeing the administration of the compensation plans, in particular the incentive compensation and equity-based plans, of the Company, (iii) reviewing and making recommendations on director compensation, (iv) reviewing and discussing with management the disclosures in the “Compensation Discussion and Analysis” (the “CD&A”) and (v) recommending to the Board whether such disclosures shall be included in the appropriate regulatory filings required by the rules and regulations of the Securities and Exchange Commission.

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to consult outside advisors to assist in its duties to the Company, as provided below.

**Composition**

Subject to the exceptions set forth in the listing standards of the New York Stock Exchange (the “NYSE”), the Committee shall consist of three or more independent directors of the Company designated by the Nominating and Corporate Governance Committee and approved by a majority of the full Board by resolution or resolutions. The members of the Committee shall meet the independence and experience requirements of the NYSE, as amended, Section 10C of the Securities Exchange Act of 1934, as amended (“Exchange Act”), and SEC rules and regulations.

The members of the Committee shall serve until such member’s successor is duly appointed and qualified or until such member’s resignation, retirement or removal by a majority vote of the Board.

The Board shall designate one member of the Committee to act as its chairperson.

The Committee may form and delegate authority to subcommittees when appropriate. The Committee shall maintain minutes or other records of its meetings and shall give regular reports to the Board on these meetings and such other matters as required by this Charter or as the Board shall from time to time specify.

The Company’s Secretary shall maintain minutes of the Committee meetings.

**Meetings**

The Committee shall meet in person or telephonically at least four times per year at such times and places 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 chairperson, with input from the other members of the Committee and, where appropriate, management, shall set the agendas for Committee meetings. The Committee shall regularly report its activities and actions to the Board.

## **Responsibilities**

The Committee shall:

- Establish annual and long-term performance goals and objectives for the Company's senior executive officers, as well as oversee the Company's compensation philosophy and strategy.
- Determine the group of companies used to benchmark senior executive and non-employee director compensation.
- Review the appropriateness and competitiveness of the Company's executive compensation and management development programs, including responsibility for new hire offer packages and promotions at or above a certain level as designated by the Committee, severance programs and executive retirement income design.
- Annually evaluate each senior executive officer's performance in light of the performance goals and objectives and set each senior executive officer's compensation based on this evaluation.
- Annually evaluate and approve the CEO's compensation levels based on the evaluation of the CEO's performance.
- Annually review and approve the compensation of all other executive officers and certain other senior management.
- Approve awards and make other determinations under plans and programs intended to provide "performance-based compensation" under Section 162(m) of the Code, to the extent required in order to qualify such awards as "performance-based compensation" and otherwise to preserve the tax deductibility of compensation resulting from such awards.
- Determine policies governing option and other stock grants.
- Make recommendations to the Board with respect to incentive compensation plans and equity-based plans and interpret and administer such plans.
- Monitor, adopt, amend and terminate the Company's qualified and non-qualified savings and pension plans.
- Review and discuss with management the CD&A and related disclosures required for inclusion in the Company's annual report and proxy statement, recommend to the Board, based on review and discussions, whether the CD&A should be included in the annual report and proxy statement, and produce the compensation committee report required for inclusion in the Company's annual report and proxy statement.
- Review and evaluate in conjunction with management the incentives and material risks arising from or relating to the Company's compensation programs and arrangements, and whether such incentives and risks are appropriate.<sup>1</sup>
- Annually evaluate its performance.
- Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- Perform any other duties consistent with this Charter, or as the Committee or Board deems necessary or appropriate.

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<sup>1</sup> As contemplated by Item 402(s) of Regulation S-K promulgated by the Securities and Exchange Commission.

## Advisors

- The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser (including, without limitation, experts in the field of executive compensation and internal or external legal, accounting, human resource or other advisors).
- The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Committee and shall have the sole authority both to retain and to terminate such experts, and to approve the experts' fees and other retention terms.
- The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee.
- The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following:<sup>2</sup>
  1. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
  2. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
  3. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
  4. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
  5. any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
  6. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

A compensation consultant, legal counsel or other compensation adviser is not required to be independent; however, the Committee must consider the independence factors enumerated above before selecting or receiving advice from a compensation adviser.

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<sup>2</sup> This assessment is not required for: (1) in-house legal counsel; and (2) any compensation consultant, legal counsel or other adviser whose role is limited to: (a) 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; or (b) 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 consultant, and about which the compensation consultant does not provide advice.