

Charter
Compensation and Human Development Committee
Time Warner Inc.
Adopted: May 20, 2005

The Board of Directors of Time Warner Inc. (the “Corporation”; “Company” refers to the Corporation and its consolidated subsidiaries) has adopted this charter for its Compensation and Human Development Committee (the “Committee”). This charter is intended to supplement the provisions in the Corporation’s By-laws pertaining to the Committee.

Composition

Number and Qualifications. The Committee shall have at least three members. Each Director who serves on the Committee must be affirmatively determined by the Corporation’s Board of Directors to meet the requirements established by the Corporation’s By-laws and Corporate Governance Policy, as well as the New York Stock Exchange, to be considered an “independent” member of the Board. In addition, the Committee members shall also satisfy the relevant requirements established pursuant to regulations under Section 16(b) of the Securities and Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code of 1986.

Appointment. The Board of Directors, upon the recommendation of its Nominating and Governance Committee, shall elect the chairman and other members of the Committee on an annual basis, generally at the first meeting of the Board of Directors following the Corporation’s annual stockholders meeting.

Rotation and Removal. The Committee chairmanship shall be rotated periodically. To assure familiarity with the issues facing the Committee, the chairman should generally have served at least one year on the Committee prior to becoming chairman.

The Board of Directors may, pursuant to the By-laws, remove a member of the Committee, or replace the chairman, provided that the Board must, at all times, assure that the Committee will have a chairman and sufficient members to satisfy the requirements set forth above relating to the number and qualifications of Committee members.

Purpose and Responsibilities

Consistent with the Corporation’s By-laws, the Committee shall have the following purpose and responsibilities:

Executive Compensation

- **General Policy & Annual Review.** The Committee shall be responsible for setting the Corporation's general policy regarding executive compensation and for reviewing, no less than annually, the compensation provided to the Corporation's Chief Executive Officer and such other senior executives of the Company as the Committee may, from time to time, determine should be subject to the Committee's direct purview. Absent further action by the Committee, such other senior executives shall include: (i) the Corporation's officers with the title of Executive Vice President or higher, (ii) the chief executive officers of each of the Corporation's principal wholly owned subsidiaries, and (iii) each of the Company's other employees whose annual total compensation has a value of \$5 million or greater.¹
- **Responsibility for Determining Executive Compensation.** The Committee shall be responsible for determining the compensation (including salary, bonus, equity-based grants, and any other long-term cash compensation) for the Corporation's Chief Executive Officer and for other senior executives as are subject to the Committee's direct purview.
- **Process for Determining Compensation.** In determining compensation for the CEO and such other senior executives, the Committee shall consider, among other factors: the Company's overall performance, shareholder return, the achievement of specific performance objectives that the Committee shall establish on an annual basis, compensation previously provided to the executives, and the value of compensation provided to individuals in similar positions at comparable companies (*i.e.*, one or more "peer groups" for each executive, which shall be reviewed by the Committee). The Committee may also consult with other Directors as its sees fit.
- **Compensation Disclosure.** The Committee may exercise oversight of the Corporation's disclosures regarding executive compensation, including approving a report on executive compensation to be included in the Corporation's annual proxy statement.
- **Employment Agreements.** The Committee shall be responsible for approving any employment agreements for the Corporation's CEO and other senior executives. In connection with reviewing proposed employment agreements for such executives, the Committee shall receive information regarding, among other things, the terms of the agreement, competitive practices, and the potential financial implications of the employment agreement.

¹ Excluding "talent" (*e.g.*, those whose primary job responsibility is to appear on a television show or in a film), unless the employee receives equity-based grants (*e.g.*, stock options, restricted stock, or restricted stock units) as part of his or her compensation in any year that require Committee approval under guidelines approved by the Committee.

- **Benefits.** The Committee shall review at least annually the benefits provided to the Company's senior executives.

Other Compensation and Benefit Matters

- **General Oversight.** The Committee shall have oversight of the Company's overall compensation structure, practices, and benefit plans. The Committee shall also, as appropriate, review and recommend compensation and benefit plans for Board approval.
- **Incentive Compensation.** The Committee shall administer the Corporation's executive bonus and equity-based incentive plans to the extent delegated by the Board of Directors.
- **Regulatory Oversight.** The Committee shall have the authority to oversee the Company's response to regulatory developments affecting compensation.

Human Development Matters

- **General Oversight.** The Committee shall provide oversight of the Company's human development programs, including programs designed to attract, retain, develop, and motivate the Company's employees.
- **Officer Appointments.** The Committee shall be responsible for reviewing and recommending for Board approval the election of officers of the Corporation.

Committee Operations

Meeting Schedule. The Committee shall approve its schedule of meetings and shall meet at least four times per year. The Committee may also hold additional meetings at the direction of the Committee Chairman or at the request of any other Committee member. The Committee may meet in person or by telephone conference call, and may act by unanimous written consent.

Agenda and Materials. The Committee Chairman shall approve the agenda for the Committee's meetings, and any member may suggest items for the Committee's consideration. Briefing materials shall be provided to the Committee as far in advance of a meeting as practicable.

Attendance at Meetings. Members of management shall be invited to attend the meeting at the discretion of the Committee Chairman. All outside Directors who are not Committee members shall be invited to attend Committee meetings, provided that: (i) the Committee shall meet without such other Directors during executive session, (ii) the Committee Chairman may ask non-Committee members to leave the meeting at any time, and (iii) such non-Committee members may not vote on any actions considered by the Committee.

Executive Sessions. The Committee shall hold an executive session at each regularly scheduled meeting. During at least some portion of each executive session, no non-Committee member or member of management shall be present.

Voting. A majority of the Committee members shall constitute a quorum. Each Committee member shall have one vote and actions at meetings may be approved by a majority of the members present.

Reporting to the Board. At the Board of Directors meeting following each Committee meeting, the Committee Chairman (or the Chairman's designee) shall report to the full Board on the Committee's actions.

Delegation. Except as otherwise prohibited, the Committee may delegate its responsibilities to subcommittees or individuals.

Committee Resources

To assist the Committee in fulfilling its responsibilities, (i) each Committee member shall have full access to any member of management and (ii) the Committee may retain independent consultants, counsel, and other advisors. The Committee will have sole authority and responsibility for hiring, approving the fees and retention terms for, and terminating the services of, such advisors. The Corporation will bear the expense of such advisors.

Performance Evaluation

The Committee shall conduct an evaluation of the Committee's performance at least annually. The evaluation shall address subjects including the Committee's composition, responsibilities, structure and processes, and effectiveness. As part of this evaluation, the Committee shall also review the Committee's charter. The Committee shall, as appropriate, make recommendations to management, the Nominating and Governance Committee, or the full Board as a result of its performance evaluation and review of its charter.