



**GREAT LAKES CHEMICAL CORPORATION
COMPENSATION AND INCENTIVE COMMITTEE CHARTER**

ORGANIZATION

There shall be a Compensation & Incentive Committee (the "Committee") of the Board of Directors of Great Lakes Chemical Corporation (the "Company"). The Committee shall be composed of at least three directors. All members of the Committee shall be independent directors. Committee members shall continue to act until their successors are appointed by the Board and shall be subject to removal at any time by a majority of the whole Board.

ROLE OF THE COMPENSATION & INCENTIVE COMMITTEE

The Committee shall assist the Board in fulfilling its responsibilities for establishing and maintaining executive compensation and incentive programs designed to attract, retain and motivate the executive officers of the Company. The Committee will provide oversight to ensure that all the Company's compensation and incentive programs are competitive, closely related to the achievement of corporate objectives and aligned with the long-term interests of the shareholders. The Committee shall report annually on executive compensation in the Company's proxy statement in accordance with applicable rules and regulations.

AUTHORITY AND RESPONSIBILITIES

The Committee shall have the following authority and responsibilities:

1. Review and approve corporate goals and objectives applicable to compensation of the Chief Executive Officer of the Company, and conduct an annual evaluation (generally in February of each year) of the Chief Executive Officer's performance with respect to the goals and objectives. Based on the annual evaluation, review and recommend to the Board the annual salary, bonus, stock option grants, restricted stock awards, other incentive compensation awards, executive perquisites and benefits for the Chief Executive Officer.
2. Review and determine the annual salary, bonus, stock option grants, restricted stock awards, other incentive compensation awards, executive perquisites and benefits for the officers of the Company, other than the Chief Executive Officer.

3. Review and recommend to the Board appropriate compensation and benefit programs for non-employee directors of the Company.
4. Approve the grant of options under the stock incentive plans maintained by the Company, determine the participation and award levels (other than the Chief Executive Officer) and establish the terms and conditions of such awards and perform such other duties as may be granted to the Committee pursuant to the provisions of such stock incentive plans.
5. Approve the Company's annual incentive compensation plans and establish participation, target annual incentive awards, corporate financial goals, actual awards paid to the Company's officers (except the Chief Executive Officer) and total funds reserved for payment to all participants under the plans.
6. Approve all new equity compensation plans, subject to submission to shareholder vote where required by law.
7. Approve and adopt qualified and non-qualified benefit plans and plan amendments (subject to shareholder approval if required by law), establish investment objectives and policies applicable to pension benefit plans, and perform all other management and administrative duties specifically required of the Board or the Committee by the provisions of any compensation or benefit plan maintained by the Company.
8. Make delegations of authority and responsibility to the officers of the Company to the extent the Committee deems appropriate and in the best interests of the Company.
9. Review and advise the Board regarding succession planning for the Chief Executive Officer and other senior executives. The Company has a Human Resource Review process to identify and develop internal succession candidates for all positions including the Chief Executive Officer. In the event of a vacancy in the office of the Chief Executive Officer for any reason, the Committee may utilize such process to identify and select a successor or any other criteria or selection methods in the best interest of the shareholders. The Committee will approve and recommend to the Board a plan to ensure succession and continuity in the event of an emergency vacancy in the office of the Chief Executive Officer.
10. Conduct annual evaluations of the Committee's performance and report the results of such evaluations to the Board.
11. Perform such other duties and responsibilities as may be assigned to it from time to time by the Board of Directors or the Chairman of the Board.

CONSULTANTS

In its discretion from time to time, the Committee may retain experts in the field of executive compensation to assist the Committee with its reviews and responsibilities, and approve the fees and other terms and conditions under which such experts are retained.

MEETINGS AND REPORTS

The Committee shall meet at least twice annually and at such other times as determined by the chair of the Committee.

The Committee shall keep regular minutes of its meetings and, at least annually, report to the Board on its actions and recommendations. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee may from time to time delegate any of its duties or responsibilities to a subcommittee made up of one or more Committee members.

ADOPTED by the Board of Directors
On December 5, 2002

/s/Karen Witte Duros
Karen Witte Duros
Assistant Secretary