

MARSH & MCLENNAN COMPANIES, INC.
Form DEF 14A
March 31, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Marsh & McLennan Companies, Inc.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

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Important Notice Regarding the Availability of Proxy Materials for the Marsh & McLennan Companies Annual Meeting of Stockholders to be held on May 19, 2011: This proxy statement and the Company's 2010 Annual Report are available at <http://proxy.mmc.com>.

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Dear Marsh & McLennan Companies Stockholder:

You are cordially invited to attend the annual meeting of stockholders of Marsh & McLennan Companies, Inc. The meeting will be held at 10:00 a.m. on Thursday, May 19, 2011 in the second floor auditorium at 1221 Avenue of the Americas, New York, New York. In addition to voting on the matters described in this proxy statement, we will use the meeting as an opportunity to report on the Company's recent activities.

Whether or not you plan to attend the annual meeting, your vote is important and we urge you to participate in electing directors and deciding the other items on the agenda for the annual meeting. You will find information on how to vote in the first section of this proxy statement.

Very truly yours,

BRIAN DUPERRAULT

President & Chief Executive Officer

March 31, 2011

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MARSH & McLENNAN COMPANIES, INC.

1166 Avenue of the Americas

New York, New York 10036-2774

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

AND

PROXY STATEMENT

Time: 10:00 a.m. Local Time

Date: May 19, 2011

Place: Second Floor Auditorium
1221 Avenue of the Americas
New York, New York 10020

Purpose:

1. To elect eleven (11) persons named in the accompanying proxy statement to serve as directors for a one-year term;
2. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm;
3. To approve the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan;
4. To approve, by nonbinding vote, the compensation of our named executive officers;
5. To recommend, by nonbinding vote, whether a stockholder vote to approve the compensation of our named executive officers should occur every one, two or three years;
6. To vote on one stockholder proposal; and

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7. To conduct any other business that may properly come before the meeting. Our Board of Directors recommends that you vote FOR the election of all director nominees, FOR the ratification of the selection of Deloitte & Touche LLP, FOR the approval of the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan, FOR the approval of the compensation of our named executive officers, for an ANNUAL vote to approve the compensation of our named executive officers and AGAINST the stockholder proposal.

This notice and proxy statement is being mailed or made available on the Internet to stockholders on or about March 31, 2011. These materials describe the matters being voted on at the annual meeting and contain certain other information. In addition, these materials are accompanied by a copy of the Company's 2010 Annual Report, which includes financial statements as of and for the fiscal year ended December 31, 2010. In these materials we refer to Marsh & McLennan Companies, Inc. as the Company, we and our.

Only stockholders of record on March 21, 2011 may vote, in person or by proxy, at the annual meeting. If you plan to attend the meeting in person, you will need proof of record or beneficial ownership of the Company's common stock as of that date in order to enter the meeting.

Your vote is important. If you accessed this proxy statement through the Internet after receiving a Notice of Internet Availability of Proxy Materials, you may cast your vote by telephone or over the Internet by following the instructions in that Notice. If you received this proxy statement by mail, you may cast your vote by mail, by telephone or over the Internet by following the instructions on the enclosed proxy card.

LUCIANA FATO

Corporate Secretary

March 31, 2011

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**INFORMATION ABOUT OUR ANNUAL MEETING
AND SOLICITATION OF PROXIES**

Why have I received a Notice regarding Internet Availability of Proxy Materials instead of printed copies of these materials in the mail?

In accordance with rules promulgated by the Securities and Exchange Commission (SEC), we have elected to furnish our proxy materials to stockholders over the Internet. Most stockholders are receiving by mail a Notice of Internet Availability of Proxy Materials (Notice), which provides general information about the annual meeting, the address of the website on which our proxy statement and annual report are available for review, printing and downloading, and instructions on how to submit proxy votes. For those who wish to receive their materials in a different format (e.g., paper copy by mail or electronic copy by e-mail), the Notice contains instructions on how to do so. Stockholders who are current employees of the Company or who have elected to receive proxy materials via electronic delivery will receive via e-mail the proxy statement, annual report and instructions on how to vote. Stockholders who have elected to receive paper copies of the proxy materials will receive these materials by mail.

Who can vote on the matters being decided at the annual meeting?

With respect to each matter properly brought before the meeting, each stockholder (of record or beneficial) who held shares as of March 21, 2011, which we refer to as the record date, is entitled to one vote, in person or by proxy, for each share of common stock held as of that date. As of the record date, there were outstanding 547,751,902 shares of Marsh & McLennan Companies common stock entitled to vote.

Stockholders of Record: If, as of the close of business on the record date, your shares were registered directly in your name with our transfer agent, Wells Fargo Bank, N.A., you are a stockholder of record. As a stockholder of record, you may vote in person at the meeting or by proxy. In accordance with Delaware law, a list of the Company's common stockholders of record as of the record date will be available for inspection at our principal executive offices at 1166 Avenue of the Americas, New York, New York for at least ten days prior to the annual meeting.

Beneficial (Street Name) Stockholders: If, as of the close of business on the record date, your shares were not held directly in your name but rather were held in an account at a brokerage firm, bank or similar intermediary organization, then you are the beneficial holder of shares held in street name. The intermediary is considered to be the stockholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct the intermediary how to vote the shares held in your account. Your voting instructions will direct the intermediary how to vote your shares.

How do I vote?

Whether you hold shares as a stockholder of record or beneficial owner, you may direct how your shares are voted without attending the annual meeting. Even if you plan to attend the annual meeting, we encourage you to vote in advance of the meeting in order to ensure that your vote is counted. If you are a stockholder of record, you may vote by submitting a proxy in accordance with the instructions included in your Notice or on your proxy card. If you are a beneficial owner holding shares in street name, you may vote by submitting voting instructions to your broker, bank, trustee or other intermediary in accordance with the Notice or voting instruction form provided to you by that organization. Executors, administrators, trustees, guardians, attorneys and other representatives voting on behalf of a stockholder should indicate the capacity in which they are voting and corporations should vote by an authorized officer whose title should be indicated.

You may vote in the following manner:

By Telephone or the Internet Stockholders may vote their shares via telephone or the Internet as instructed in the Notice or the proxy card, depending on how they received the proxy materials. The

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telephone and Internet procedures are designed to authenticate a stockholder's identity, to allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

By Mail Stockholders who receive hard copies of the proxy materials may choose to vote by mail and, if they so choose, should complete, sign and date their proxy card or voting instruction card and mail it in the pre-addressed envelope included with the proxy materials. Note that, if you are a stockholder of record and you sign and return a proxy or voting instruction card, but do not specify how to vote, your shares will be voted with management, which will be in favor of our director nominees (Item 1); in favor of the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm (Item 2); to approve the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (Item 3); to approve, by nonbinding vote, the compensation of our named executive officers (Item 4); to recommend, by nonbinding vote, that a stockholder vote to approve the compensation of our named executive officers should occur every year (Item 5); and against the stockholder proposal (Item 6).

Can I vote my shares in person at the annual meeting?

Yes. However, even if you plan to attend the meeting, we recommend that you vote in advance of the meeting in order to ensure that your vote is counted. If you vote in advance and then attend the meeting, you can always change your vote at the meeting. If your shares are held in street name and you decide to vote in person at the annual meeting, you must obtain from your broker, bank or other intermediary record holder a valid proxy giving you the right to vote the shares, and bring that proxy to the meeting.

Can I change my vote?

Yes. Stockholders of record may revoke their proxy before it is voted at the annual meeting by (i) submitting a new proxy with a later date, (ii) voting in person at the annual meeting or (iii) sending written notification of revocation addressed to:

Marsh & McLennan Companies, Inc.

1166 Avenue of the Americas

New York, New York 10036-2774

Attn: Corporate Secretary

If you hold your shares in street name, you may change your vote by submitting new voting instructions to your broker or other intermediary, following the instructions they provided; or, if you have obtained a legal proxy from your broker or other intermediary giving you the right to vote your shares, by attending the meeting and voting in person.

Who can attend the annual meeting?

Stockholders (of record or beneficial), their proxy holders and the Company's guests may attend the meeting. Verification of share ownership will be requested at the admissions desk. If your shares are held in street name, you must bring to the meeting an account statement or letter from the record holder (*i.e.*, the broker, bank, trustee or other intermediary organization that holds your shares) indicating that you were the beneficial owner of the shares on March 21, 2011.

What are the requirements to conduct business at the annual meeting?

In order to carry on the business of the annual meeting, we must have a quorum. This means at least a majority of the outstanding shares eligible to vote must be present in person or represented by proxy at the annual meeting. Both abstentions and broker nonvotes (described below) are counted for the purpose of determining the presence of a quorum.

Table of Contents**What are the voting requirements to elect directors and to approve the other proposals discussed in this proxy statement?**

The voting standards applicable to the annual meeting are as follows:

Election of Directors

At the 2011 annual meeting, the election of directors will be uncontested, meaning that the number of nominees does not exceed the number of directors to be elected. The Company's by-laws provide that in an uncontested election, a nominee will be elected if the number of votes cast for the nominee's election exceeds the number of votes cast against the nominee's election. Abstentions will not be included in the total number of votes cast and therefore will have no effect on the election's outcome.

Important Note Regarding Voting for Directors: In the past, brokers had discretionary authority to vote in the election of directors if they did not receive instructions from a beneficial owner. Due to a change in the rules of the New York Stock Exchange (NYSE), the election of directors is no longer considered a routine matter and thus brokers no longer have this discretionary authority. (See Significance of Broker Nonvotes below). Accordingly, if you are a beneficial owner, you must instruct your broker on how you want your shares to be voted in the election of directors in order for your shares to be counted in the election.

Our Guidelines for Corporate Governance address the procedures to be followed if an incumbent director standing for reelection in an uncontested election fails to receive a majority of the votes cast. See Director Election Voting Standard at page 11.

Vote Required for Other Proposals

| Proposal | Vote Required | Broker Discretionary |
|--|---|----------------------|
| | | Voting Allowed |
| Item 2 Ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm | Majority of the Shares Entitled to Vote and Present in Person or Represented by Proxy | Yes |
| Item 3 Approval of the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan | Majority of Votes Cast, provided the Total Votes Cast Represent a Majority of the Shares Entitled to Vote | No |
| Item 4 Advisory vote on executive compensation | Majority of the Shares Entitled to Vote and Present in Person or Represented by Proxy | No |
| Item 5 Advisory vote on frequency of advisory vote on executive compensation | Majority of the Shares Entitled to Vote and Present in Person or Represented by Proxy ⁽¹⁾ | No |
| Item 6 Stockholder Proposal | Majority of the Shares Entitled to Vote and Present in Person or Represented by Proxy | No |

⁽¹⁾ If no choice receives such a majority, the choice of frequency that receives the highest number of FOR votes will be considered the advisory vote of the stockholders.

In accordance with Delaware law, abstentions will be treated as present and entitled to vote for purposes of voting on these items, while broker nonvotes (described below) will not. Abstentions have the effect of a vote against the proposals.

Significance of Broker Nonvotes

The rules of the NYSE provide that, when a matter to be voted on at an annual meeting is non-routine, a broker holding shares of record on behalf of a client may vote those shares only if the broker has received voting instructions from the client. If the broker has not received voting instructions from the client, the broker may submit a proxy on any routine matter, but may not vote

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the client's shares on the matter(s) for which instructions were required but not provided. When a broker submits a proxy, but refrains from voting in this way, a broker nonvote occurs. Shares subject to a broker nonvote are not counted as present or represented with respect to the nonroutine matters being addressed at the annual meeting; however, they are counted as present and represented for purposes of determining the presence of a quorum at the annual meeting. Under the rules of the NYSE, the election of directors (Item 1), the approval of the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (Item 3), the nonbinding vote to approve the compensation of our named executive officers (Item 4), the nonbinding vote to determine whether a stockholder vote to approve the compensation of our named executive officers should occur every one, two or three years (Item 5), and the stockholder proposal (Item 6) are considered nonroutine.

Could additional matters be decided at the annual meeting?

As of the date of this proxy statement, we do not know of any matters not described in this proxy statement that will be presented at the meeting. However, if any other matter shall properly come before the meeting, the persons named in the proxy will use their discretion to vote on such matter on behalf of shares for which proxies were submitted.

Who conducts the annual meeting?

The independent chairman of the Board of Directors acts as chairman of the annual meeting, and has the authority to conduct the annual meeting so that the business of the meeting is carried out in an orderly and timely manner. In doing so, the chairman has the discretion to establish reasonable rules for discussion, comments and questions during the meeting.

Who will count the votes at the annual meeting?

One or more representatives of Broadridge Financial Solutions, Inc. will tabulate the votes and act as independent inspectors of election.

How may I obtain electronic delivery of proxy materials in the future?

Most stockholders may elect to receive future proxy statements and annual reports electronically via e-mail or the Internet instead of receiving paper copies in the mail. If you are a stockholder of record, you may choose this electronic delivery option by following the instructions provided when you vote over the Internet. Active employees of the Company who hold Marsh & McLennan Companies common stock in certain employee stock plan accounts or are stockholders of record generally receive their proxy materials by electronic delivery to their business e-mail accounts.

If you are a beneficial owner who holds shares in street name, it is likely that you will have the option to choose future electronic delivery of proxy materials when you vote over the Internet. Otherwise, please contact your broker or other intermediary holder of record for information regarding electronic delivery of proxy materials.

Stockholders who receive their proxy materials electronically receive an e-mail message with instructions on how to access the proxy statement and annual report and vote. If you have chosen to receive proxy materials electronically, your choice will remain in effect until you revoke it.

What is householding ?

Holders of Record and in Employee Benefit Plan Accounts

We have adopted a procedure approved by the SEC called householding. Under this procedure, stockholders of record or who hold shares in certain of our employee benefit plan accounts and who share the same last name and reside at the same mailing address will receive one Notice or one set of proxy materials (if they have elected to receive hard copies of the proxy materials), unless one of the stockholders at that address has notified us that they wish to receive individual copies.

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Stockholders who participate in householding continue to receive separate control numbers for voting, and, in the case of those who receive hard copies of the proxy materials, separate proxy cards. Householding does not in any way affect dividend check mailings.

If you are a stockholder of record or hold our common stock in an employee benefit plan account and currently are subject to householding, but prefer to receive separate copies of proxy materials and other stockholder communications from the Company, you may revoke your consent to householding at any time by calling Broadridge Financial Solutions, Inc. toll-free at 1-800-542-1061 or by writing to Broadridge, Householdings Department, 51 Mercedes Way, Edgewood, New York 11717.

Beneficial Stockholders

A number of brokerages and other institutional holders of record have implemented householding. If you are a beneficial owner who holds shares in street name, please contact your broker or other intermediary holder of record to request information about householding.

How may I obtain another set of proxy materials?

This proxy statement and our 2010 Annual Report can be viewed on (and printed from) our website at <http://proxy.mmc.com>. If you wish to receive a separate paper copy of our annual report or proxy statement, you may telephone our office of Investor Relations at (212) 345-5475 or write to:

Marsh & McLennan Companies, Inc.

1166 Avenue of the Americas

New York, New York 10036-2774

Attn: Investor Relations

Who will bear the cost of this proxy solicitation?

We pay the expenses of preparing and distributing the proxy materials and soliciting proxies. We also reimburse brokers and other institutional record holders for their expenses in forwarding these materials to, and obtaining voting instructions from, beneficial owners of the Company's common stock.

In addition to the distribution of this proxy statement and instructions for voting at the annual meeting, proxies may be solicited personally, electronically or by telephone by our directors, officers, other employees or agents. We have retained Georgeson Inc. as our agent to assist in the proxy solicitation at a fee of approximately \$11,000, plus expenses. If any of our directors, officers and other employees assist in soliciting proxies, they will not receive additional compensation for those services.

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CORPORATE GOVERNANCE

We describe key features of the Company's corporate governance environment below, and also in the next section of this proxy statement, captioned "Board of Directors and Committees." Our key corporate governance materials are available online at <http://www.mmc.com/about/governance>.

Enhanced Corporate Governance Environment

The Board of Directors has taken a series of actions designed to enhance the Company's corporate governance environment. Highlights of these actions include:

A. Board Structure

Board Independence. All of the Company's directors are independent, with the exception of our CEO, who is the only member of management serving on the Board.

Independent Chairman. The Company maintains separate roles of chief executive officer and chairman of the Board as a matter of policy. An independent director acts as Chairman of the Board.

Offer to Resign upon Change in Circumstances. Pursuant to our Guidelines for Corporate Governance, any director undergoing a significant change in personal or professional circumstances must offer to resign from the Board.

B. Election of Directors /Right of Stockholders to Call Special Meetings

Majority Voting in Director Elections. The Company's by-laws provide that in uncontested elections, director candidates must be elected by a majority of the votes cast.

Stockholder Right to call Special Meetings. The Company's by-laws allow stockholders of record of at least twenty percent (20%) of the voting power of the Company's outstanding common stock to call a special meeting.

C. Shareholder Rights Plan

Expiration of Poison Pill. The Board allowed a prior Rights Agreement to expire without renewal.

D. Declassification of Board

Annual Election of Directors. The Company's charter provides for the annual election of directors.

E. Compensation Practices

Compensation Structure for Independent Directors. The Company's director compensation structure is transparent to investors and does not provide for meeting fees or retainers for non-chair committee membership.

Stockholder Approval of Severance Agreements. The Company is required as a matter of policy to obtain stockholder approval for severance agreements with certain senior executive officers that provide for cash severance that exceeds 2.99 times his or her base salary and three-year average annual bonus award.

Double-Trigger Condition for Vesting of Equity-Based Awards upon a Change in Control. A double-trigger condition applies to the vesting of all equity-based awards granted after March 15, 2007 upon a change in control of the Company.

Bonus Clawback Policy. The Company may as a matter of policy recoup (or claw back) certain executive bonuses in the event of misconduct leading to a financial restatement.

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F. Equity Ownership Requirements

Senior Executive Equity Ownership Requirements. The Company maintains equity ownership standards requiring senior management to acquire, within five years, company equity with a value equal to a multiple of base salary.

Director Equity Ownership Requirements. Directors are required to acquire and hold a minimum of \$100,000 worth of the Company's common stock within three years of joining the Board.

Guidelines for Corporate Governance

Our Guidelines for Corporate Governance (our Governance Guidelines) are the means by which the Company and the Board of Directors formally express many of our governance policies. The Governance Guidelines were initially adopted by the Board in May 2003. The Board has subsequently amended them from time to time. The Governance Guidelines are posted on our website at

<http://mmc.com/about/GuidelinesCorporateGovernance.pdf>.

The Governance Guidelines address a range of corporate governance matters, including the following (parenthetical references are to the relevant section of the Governance Guidelines):

Specific Board functions (Section B), such as:

evaluation of CEO performance and approval of CEO compensation;

reviewing the Company's strategic and operating plans, financial objectives and major corporate actions;

assessing major risks facing the Company and options for their mitigation;

overseeing the integrity of the Company's financial statements and financial reporting processes;

ensuring the adequacy of the Company's processes for legal and ethical compliance; and

monitoring the effectiveness of the Company's corporate governance practices.

CEO/independent chairman separation. (Section F.2)

CEO succession planning and management development. (Section C)

Majority voting in director elections. (Section E.3)

Director qualification standards and director independence. (Sections D.2 and D.3)

Retirement requirements for independent directors. (Section E.6)

Executive sessions of independent directors at every in-person meeting of the Board. (Section H.3)

Limits on other public company board service. (Section D.5)

Director and senior management stock ownership requirements. (Sections K.2 and K.3)

Board access to management and outside advisors. (Section I)

Director Independence

The Board has determined that all directors other than Mr. Duperreault are independent. Therefore, the Board has satisfied its objective that a substantial majority of the Company's directors should be independent of management.

For a director to be considered independent, the Board must affirmatively determine that the director has no direct or indirect material relationship with the Company. The Board has established

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categorical standards to assist it in making determinations of director independence. These standards conform to, or are more exacting than, the independence requirements provided in the NYSE listed company rules. The Company's director independence standards are set forth as Annex A to our Governance Guidelines. With respect to Mr. Nolop, the Board considered that, through 2010, he was an executive officer of a company that, in each of the preceding three fiscal years made payments to the Company in an amount less than the greater of \$1 million or 2% of his employer's total net revenues. In 2010, Mr. Nolop's employer received no payments from the Company. With respect to Mr. Mills, the Board considered that he is an executive officer of a company that, in each of the preceding three fiscal years, made payments to, and received payments from, the Company in an amount less than the greater of \$1 million or 2% of his employer's total net revenues.

All members of the Audit, Compensation, Compliance and Risk, and Directors and Governance Committees must be independent directors as defined by the Company's Governance Guidelines. Members of the Audit Committee must also satisfy a separate SEC and NYSE independence requirement, which provides that they may not be affiliates and may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than their directors' compensation. Under our Governance Guidelines, if a director whom the Board has deemed independent has a change in circumstances or relationships that might cause the Board to reconsider that determination, he or she must immediately notify the chairman of the Board and the chair of the Directors and Governance Committee.

Codes of Conduct

Our reputation is fundamental to our business. The Company's directors and officers and other employees are expected to act ethically at all times. To provide guidance in this regard, the Company has adopted a Code of Conduct, which applies to all of the above individuals. In 2011, a revised and expanded Code of Conduct, *the Greater Good*, is being distributed in hard copy to the Company's employees, accompanied by a comprehensive training and communication effort. The Company has also adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers, which applies to our chief executive officer, chief financial officer and controller. Both of these codes are posted on the Company's website at <http://www.mmc.com>, and print copies are available to any stockholder upon request. We will disclose any amendments to, or waivers of, the Code of Ethics for the Chief Executive Officer and Senior Financial Officers on our website within four business days.

Review of Related-Person Transactions

The Company maintains a written Policy Regarding Related-Person Transactions, which sets forth standards and procedures for the review and approval or ratification of transactions between the Company and related persons. The policy is administered by the Directors and Governance Committee with assistance from the Company's Corporate Secretary.

The policy applies to any related-person transaction. This means a transaction (i) involving the Company or any of its subsidiaries, (ii) which involves an aggregate value of \$120,000 or more and (iii) in which a related person has a direct or indirect material interest. A related person means a director or executive officer of the Company, a nominee for election as a director of the Company, a beneficial owner of more than five percent of the Company's outstanding common stock or an immediate family member of any of the foregoing persons.

In determining whether to approve or ratify a related-person transaction, the Directors and Governance Committee will review the facts and circumstances it considers relevant. These may include: the commercial reasonableness of the terms of the transaction; the benefits of the transaction to the Company; the availability of other sources for the products or services involved in the transaction; the materiality and nature of the related person's direct or indirect interest in the transaction; the potential public perception of the transaction; and the potential impact of the transaction on any director's independence. The Directors and Governance Committee will approve or ratify the related-person transaction only if the Committee, in its sole good faith discretion based on the facts and circumstances it considers relevant, determines that the related-person transaction is in, or is not inconsistent with, the best interests of the Company and its stockholders.

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If the Directors and Governance Committee determines not to approve or ratify a related-person transaction, the transaction shall not be entered into or continued, as the case may be. No member of the Directors and Governance Committee will participate in any review or determination with respect to a related-person transaction if the Committee member or any of his or her immediate family members is the related person.

Communicating Concerns Regarding Accounting Matters

The Audit Committee of the Board of Directors has established procedures to enable anyone who has a concern about the Company's accounting, internal accounting controls or auditing practices to communicate that concern directly to the Audit Committee. These communications, which may be made on a confidential or anonymous basis, may be submitted in writing or by telephone, as follows:

By mail to:

Marsh & McLennan Companies, Inc.

Audit Committee of the Board of Directors

c/o Corporate Secretary

1166 Avenue of the Americas

New York, New York 10036-2774

By telephone to the Marsh & McLennan Companies Ethics & Compliance Line:

Canada & the U.S.: 1-800-381-2105

Outside Canada & the U.S., use your country's AT&T Direct[®] service number to reach the Marsh & McLennan Companies Ethics & Compliance Line toll-free.

Further details of the Company's procedures for handling complaints and concerns of employees and other interested parties regarding accounting matters are posted on our website at

<http://www.mmc.com/about/governance>. Company policy prohibits retaliation against anyone who raises a concern of the type described above.

Communicating with Directors

Holders of the Company's common stock and other interested parties may send communications to the Board of Directors, the independent chairman or the independent directors as a group by mail (addressed to the Corporate Secretary) or by telephone as indicated above. Items unrelated to the directors' duties and responsibilities as Board members may be excluded by the Corporate Secretary, including solicitations and advertisements; junk mail; product-related communications; surveys and job referral materials such as resumes.

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BOARD OF DIRECTORS AND COMMITTEES

Board Composition, Leadership and Size

At the 2011 annual meeting, stockholders will vote on the election of eleven (11) directors. As previously disclosed, Stephen R. Hardis will retire from the Board in accordance with the mandatory retirement age provision contained in our Guidelines for Corporate Governance. Also as previously disclosed, Leslie M. Baker, Jr. and Gwendolyn S. King have decided to retire from the Board. None of Mr. Hardis, Mr. Baker or Ms. King will stand for re-election at the 2011 annual meeting of stockholders. Mr. Hardis is currently the Board's independent chairman. In July 2010, the Company announced that Lord Lang of Monkton will succeed Mr. Hardis as independent chairman upon Mr. Hardis' retirement. The only member of management who serves on the Board is Brian Duperreault, the Company's president and chief executive officer. As stated above under Corporate Governance, the chairman of the Board has been an independent director since 2005. The Board believes that this currently is the best leadership structure for the Company and will continue to periodically evaluate whether the structure is in the best interests of stockholders.

As stated in our Guidelines for Corporate Governance, the Board of Directors has determined that 10-14 directors is currently an appropriate range for the Board. The Board believes this range is sufficient to ensure the presence of directors with diverse experience and skills, without hindering effective decision-making or diminishing individual accountability. The Board also believes this range is flexible enough to permit the recruitment, if circumstances so warrant, of an outstanding director candidate in whom the Board may become interested at a future time. The Directors and Governance Committee periodically reviews the size of the Board and recommends changes as appropriate.

Director Qualifications and Nomination Process

As provided in our Guidelines for Corporate Governance, all directors must demonstrate the highest standards of ethics and integrity, must be independent thinkers with strong analytical ability, and must be committed to representing all of the Company's stockholders rather than any particular interest group. In addition to the foregoing characteristics, the Board evaluates each prospective director candidate by reference to the following criteria (which are not listed in any order of importance): (i) the candidate's personal and professional reputation and background; (ii) the candidate's industry knowledge; (iii) the candidate's experience with businesses or other organizations comparable to the Company in terms of size or complexity; (iv) the interplay of the candidate's skills and experience with those of the incumbent directors; (v) the extent to which the candidate would provide substantive expertise that is currently sought by the Board or any committees of the Board; (vi) the candidate's ability to commit the time necessary to fulfill a director's responsibilities; (vii) relevant legal and regulatory requirements and evolving best practices in corporate governance; and (viii) any other criteria the Board deems appropriate.

The Board, taking into account the recommendation of the Directors and Governance Committee, is responsible for nominating a slate of director candidates for election at the Company's annual meeting of stockholders. The Board has delegated to the Directors and Governance Committee the authority, when circumstances so warrant, to identify, screen and recommend to the Board potential new director candidates and to engage one or more search firms to assist the Committee with respect thereto. The Directors and Governance Committee periodically reviews with the Board the skills and characteristics to be sought in any new director candidates, as well as the overall composition and structure of the incumbent Board. The Committee has a longstanding commitment to maintaining a diverse and inclusive Board, and when seeking new director candidates, takes into account such factors as the Board's current mix of skills, backgrounds and experience, as well as the gender, racial, ethnic and cultural diversity of each potential candidate.

Stockholder Nominations for Director Candidates

The Directors and Governance Committee will consider director candidates recommended by stockholders if the recommendation is submitted in writing at the address below. As described in Article II of the Company's by-laws, stockholders may submit nominations of persons for election as

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directors of the Company at an annual meeting of stockholders provided that the proposing stockholder is a stockholder of record both at the time the nomination is submitted and at the time of the annual meeting, is entitled to vote at the annual meeting and complies with the notice procedures set forth in Section 2.10 of the by-laws. The notice of nomination must meet certain guidelines as to timeliness and form, described below, and be delivered to the Corporate Secretary at our principal executive offices:

Marsh & McLennan Companies, Inc.

1166 Avenue of the Americas

New York, New York 10036-2774

Attn: Directors and Governance Committee

c/o Corporate Secretary

The notice must be delivered not earlier than 5:00 p.m. Eastern Time on the 120th day, and not later than 5:00 p.m. Eastern Time on the 90th day, prior to the first anniversary of the preceding year's annual meeting; provided that, if the date of the upcoming annual meeting is advanced or delayed by more than 30 days from the anniversary date of the previous year's annual meeting, the notice must be delivered not earlier than 5:00 p.m. Eastern Time on the 120th day prior to the date of the annual meeting and not later than 5:00 p.m. Eastern Time on the later of (x) the 90th day prior to the date of the annual meeting and (y) the 10th day following the day on which the date of the rescheduled annual meeting is first publicly announced by the Company.

The director nomination notice must include certain information regarding the director nominee, the proposing stockholder and any associate of the proposing stockholder (such as a beneficial owner of shares owned of record or beneficially by the propo