

WILLDAN GROUP, INC.

COMPENSATION COMMITTEE CHARTER

As Revised June 3, 2010

1. **Purpose.** The purpose of the Compensation Committee (the “Committee”) is to discharge the responsibilities of the Board of Directors (the “Board”) of Willdan Group, Inc. (the “Company”) relating to the Company’s overall compensation programs and compensation of the Company’s executives and directors; to produce an annual report on executive compensation for inclusion in the Company’s proxy statement, if and as required by applicable rules and regulations; to oversee, administer and review the Company’s incentive compensation plans and equity-based compensation plans; and to take such other actions within the scope of this charter (the “Charter”) as the Committee deems necessary or appropriate.

The Company’s compensation policies should endeavor to allow the Company to recruit and retain superior talent, motivate employees to achieve the Company’s business objectives, and align the interests of the Company’s executive management with that of its stockholders.

2. **Membership.** The Committee will be comprised of three or more directors, each of whom in the business judgment of the Board qualifies as an “independent director” under the independence requirements of the Nasdaq Global Market and applicable law (unless the requirements of the Nasdaq Global Market and applicable law otherwise permit the membership of a director that does not qualify as an independent director), a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “34 Act”), and an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (“Section 162(m”). The members of the Committee will be appointed by and serve at the discretion of the Board. Committee members will be elected annually for a term of one year. Committee members may be removed at any time by a majority vote of the Board. Vacancies will be filled by majority vote of the Board. The Board will appoint the Chairperson of the Committee. If the Board does not appoint a Chairperson, the members of the Committee may designate a Chairperson by majority vote of the full Committee membership.
3. **Specific Responsibilities and Duties.** The Board delegates to the Committee the express authority to do the following, to the fullest extent permitted by applicable law and the Corporation’s Certificate of Incorporation and Bylaws:
 - (a) **Compensation Policies.** Review, evaluate and make recommendations to the full Board with respect to management’s proposals regarding the Company’s overall compensation policies, and recommend performance-based incentives that support and reinforce the Company’s long-term strategic goals, organizational objectives and stockholder interests.

- (b) **Chief Executive Officer (“CEO”) Compensation and Goals.** Annually review and approve goals and objectives relevant to the CEO’s compensation, evaluate the CEO’s performance in light of those goals and objectives, and set the CEO’s compensation level (including, but not limited to, salary, long and short-term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate) based on this evaluation. When deliberating or voting on the CEO’s compensation, the CEO cannot be present.
- (c) **Executive Officers.** Consider and approve the selection, retention and remuneration arrangements for senior executive officers and establish, review and approve compensation plans in which any executive officer is eligible to participate. Such remuneration arrangements can include, but are not limited to, salary, long and short-term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate. The Committee will take into consideration, to the extent it deems appropriate, the recommendations of the CEO with respect to the compensation of executive officers other than the CEO.
- (d) **Other Senior Officers and Employees.** To the extent the Committee deems appropriate, receive and evaluate recommended performance target goals for the senior officers and employees (other than executive officers) and review periodic reports from the CEO as to the performance and compensation of such senior officers and employees.
- (e) **Incentive Compensation Plans.** Make recommendations to the Board with respect to the Company’s incentive-compensation plans and equity-based compensation plans and approve for submission to stockholders all new stock option and equity compensation plans, including amendments or supplements thereto. The Committee, or its designee (as legally permissible), shall act as administrator of such equity incentive plans.
- (f) **Option Grants and Stock Awards.** Recommend stock options and other awards under the Company’s stock option or other equity incentive plans, to the extent, if any, the Committee determines to be advisable and consistent with the terms of such plan. The Committee shall make recommendations to the Board concerning stock option grants and stock awards to directors of the Company. The Committee shall take any action which, by the terms of the applicable option or other equity incentive plan, may be taken by the administrator of such plans.
- (g) **Overall Review of Other Plans.** Except as otherwise determined by the Board or as otherwise set forth herein, review and approve all compensation plans of the Company, including any amendments or supplements thereto, in light of Company objectives.

- (h) **Compensation of Directors.** Make recommendations to the Board with regard to the compensation for members of the Board, taking into consideration such factors as the Committee deems appropriate.
 - (i) **Succession Planning; Management Development.** Review the CEO's annual report to the Board on succession planning and management development. Monitor issues associated with executive officer succession and management development, and regularly report on these issues to the Board.
 - (j) **Annual Report and Proxy Statement.** If the Company is required to include Compensation Discussion and Analysis ("CD&A") in its disclosure under the applicable SEC rules and regulations, review the CD&A to be included in the proxy statement and recommend to the Board that the CD&A be included in the proxy statement and incorporated by reference into the annual report. Produce and sign an annual report on executive compensation for inclusion in the Company's proxy statement if and as required by the rules and regulations of the SEC.
 - (k) **Review and Publication of Charter.** Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. Publish the Charter as required by the rules and regulations of applicable law and as otherwise deemed advisable by the Committee.
 - (l) **Annual Review.** Annually review the Committee's own performance based on the purposes, duties and responsibilities set forth in this Charter and in accordance with the criteria established by the Nominating and Governance Committee.
 - (m) **Other Actions.** Perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deems necessary or appropriate.
 - (n) **Recommendations.** Make recommendations and report to the Board with respect to compensation policy of the Company or any of the foregoing matters.
4. **Meetings.** The Committee will meet with such frequency, and at such times as its Chairperson, or a majority of the Committee, determines. A special meeting of the Committee may be called by the Chairperson or upon the request of any two or more Committee members. The agenda of each meeting will be prepared by the Chairperson and circulated to each member prior to the meeting date. A majority of the total number of members of the Committee will constitute a quorum for the conduct of business at all Committee meetings and is empowered to act on behalf of the Committee. Unless the Committee or the Board adopts other procedures, the provisions of the Company's Bylaws applicable to meetings of Board committees or, if none, provisions of the Company's Bylaws applicable to meetings of the Board will govern meetings of the Committee. Reports of Committee meetings will be made to the Board at its next regular scheduled meeting following the Committee meeting, accompanied by any recommendations to the Board approved by the Committee.
5. **Minutes.** Minutes of each meeting will be kept with the regular corporate records.

6. **Subcommittees.** The Committee has the power to appoint subcommittees, but no subcommittee will have any final decision making authority on behalf of the Committee or the Board.
7. **Reliance; Experts; Cooperation.**
 - 7.1 **Retention of Independent Counsel and Advisors.** The Committee has the power, in its discretion, to retain at the Company's expense such independent counsel and other advisors and experts as it deems necessary or appropriate to carry out its duties.
 - (a) **Compensation Consultant.** The Board delegates to the Committee the express authority to decide whether to retain a compensation consultant to assist in the evaluation of compensation pursuant to this Charter. If the Committee decides in its discretion to retain such a firm, the Board delegates to the Committee the sole authority to retain and terminate any such firm and to approve the firm's fees and other retention terms.
 - 7.2 **Reliance Permitted.** In carrying out its duties, the Committee will act in reliance on management, the independent public accountants, and outside advisors and experts, as it deems necessary or appropriate.
 - 7.3 **Investigations.** The Committee has the authority to conduct any investigation it deems necessary or appropriate to fulfilling its duties.
 - 7.4 **Required Participation of Employees and Advisors.** The Committee shall have unrestricted access to the independent public accountants, internal and outside counsel, and anyone else in the Company, and may require any officer or employee of the Company or the Company's outside counsel or independent public accountants to attend a meeting of the Committee or to meet with any members of, or consultants or advisors to, the Committee.