

**BEST BUY CO., INC.**  
**COMPENSATION AND HUMAN RESOURCES COMMITTEE**  
**CHARTER**

**Purpose**

The Compensation and Human Resources Committee (Committee) of Best Buy Co., Inc. (Company) is appointed by the Board of Directors (Board) to carry out the Board's responsibilities relating to executive and director compensation and evaluation of the Chief Executive Officer (CEO). The Committee is also appointed to oversee the development and evaluation of, and to approve, incentive compensation, equity-based and other employee benefit plans, and to oversee the Company's human capital policies and programs.

**Committee Membership**

The Committee will be composed of at least three directors, each of whom satisfy the definition of "independent" under the listing standards of the New York Stock Exchange. All Committee members shall also be "non-employee" directors as defined by Rule 16b-3 under the Securities Exchange Act of 1934 and "outside directors" as defined by Section 162(m) of the Internal Revenue Code. The Committee members will be appointed by the Board and may be removed by the Board in its discretion.

**Meetings**

The Committee shall meet as often as its members deem necessary to perform the Committee's responsibilities. A majority of the Committee will comprise a quorum when all Committee members are unable to attend a meeting.

**Committee Authority and Responsibilities**

The Committee will have the authority, to the extent it deems necessary or appropriate, to retain a compensation consultant to assist in the evaluation of director, CEO or senior executive compensation. The Committee shall have sole authority to approve such consultant's fees and other retention terms. The Committee shall also have authority, to the extent it deems necessary or appropriate, to retain other advisors. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consulting firm or other advisors employed by the Committee.

The Committee will make regular reports to the Board and will propose any necessary action to the Board. The Committee will review and reassess the adequacy of this charter at least annually and recommend any proposed changes to the Board for approval. The Committee will at least annually evaluate its own performance to determine whether or not it is functioning effectively.

The Committee shall:

- Review and approve the Company's goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and have sole authority to determine and approve the CEO's compensation and benefits package based on such evaluation. In determining the long-term incentive component of the CEO's compensation and benefits package, the Committee shall consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years when determining the long-term component of the CEO's compensation. The Committee will meet in executive session without the presence of the CEO or other executive officers when approving the CEO's compensation, but may in its discretion, invite the CEO to be present during approval of the compensation of the remainder of the Company's executive management team.
- Review and approve the individual elements of compensation and benefits for the remainder of the Company's executive management team.
- Assist the Board in developing and evaluating candidates for executive positions, and oversee the development of executive succession plans for executives other than the CEO and the Chief Operating Officer.
- Appoint officers of the Company at the level of senior vice president and above other than the CEO, to the extent delegated by the Board of Directors.
- Review and approve the annual retainer, meeting fees and equity-based compensation for Board members and committees of the Board.
- Produce an annual report on executive compensation for inclusion in the Company's proxy statement.
- Review and approve the Company's human capital policies and programs.
- Discuss executive stock ownership practices and review the Company's Stock Ownership Guidelines.
- Review and approve all employee benefit, incentive and equity-based compensation plans, subject to Board and shareholder approval as appropriate.
- Appoint or delegate to such persons within the Company as the Committee deems appropriate the following responsibilities regarding the Company's employee benefit plans:
  - Review investment policies relating to the Company's qualified and nonqualified employee plans and approve any material changes to such policies.

- As to the 401(k) plans, review (a) the criteria for selecting funds to be offered to participants and (b) the performance and related risks of each fund.
- As to the Company's Deferred Compensation Plan, review the performance of the measurement funds and the effectiveness of the hedging of the deferred compensation liability.
- If appropriate and necessary to receive information not otherwise available, contact directly outside investment managers and advisors and other persons or records within or outside the Company.
- Evaluate compliance with the Company's human resource policies in cooperation with the Audit Committee and ethics coordinators.
- Review employment-related claims against the Company periodically and provide direction and recommendations as the Committee determines appropriate.