



## METHODE ELECTRONICS, INC. COMPENSATION COMMITTEE CHARTER

### **Organization**

There shall be a Compensation Committee of the Board of Directors, consisting of no less than three (3) members, whose members shall meet the independence requirements of any applicable laws, rules and regulations. The Board of Directors shall appoint, remove and replace the Compensation Committee members, upon recommendation of the Nominating and Governance Committee.

### **Purposes and Responsibilities**

In carrying out its responsibilities, the Compensation Committee shall have the authority to retain, at Company expense, legal, accounting and other consultants to advise the Committee. The Compensation Committee may request any officer or employee of the Company to attend a meeting of the Committee or to meet with any advisors to the Committee.

In carrying out these responsibilities:

1. The Compensation Committee shall have the sole authority to retain and terminate any professional advisors used to assist the Committee in fulfilling its responsibilities.
2. The Compensation Committee shall produce a Compensation Committee Report on executive compensation for inclusion in the Company's annual proxy statement, in accordance with applicable rules and regulations.
3. The Compensation Committee shall annually review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and as a committee determine and approve the Chief Executive Officer's compensation based on this evaluation. In determining the long-term incentive component of Chief Executive Officer compensation, the Compensation Committee should consider, among other things, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and awards given to the Chief Executive Officer in

past years. This review and evaluation may involve consultations from time to time with the other independent directors of the Board of Directors. The Chief Executive Officer may not be present during voting or deliberations.

4. The Compensation Committee shall review and approve, after consulting with the Chief Executive Officer, compensation of officers and key managers other than the Chief Executive Officer, including (a) the annual base salary level; (b) employment agreements, severance arrangements, and change in control agreements/provisions, in each case, as, when and if appropriate; and (c) any deferred, special or supplemental benefits. The Compensation Committee will review the policies and principles it follows for determining such compensation as appropriate.
5. The Committee shall review and approve the terms of the Company's incentive compensation plans, equity based plans, retirement plans, deferred compensation plans and welfare benefit plans. The Compensation Committee shall provide oversight regarding the administration and management of such plans. As required by applicable laws, rules and regulations, the Compensation Committee shall recommend submission of equity-based plans to the stockholders for approval.
6. The Compensation Committee may form and delegate authority to subcommittees or management when appropriate.
7. The Compensation Committee shall make regular reports to the Board.
8. The Compensation Committee shall authorize the granting of stock options, stock awards and other equity based awards.
9. The Compensation Committee shall establish stock ownership and retention guidelines for executive officers and monitor compliance with those guidelines.
10. The Compensation Committee shall annually review its own performance and the adequacy of this Charter.

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