

CHARTER OF THE MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF RUSSELL CORPORATION

I. Purpose

The Management Development and Compensation Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Russell Corporation (the "Corporation") and has overall responsibility for designing, approving and evaluating the executive compensation plans, policies and programs of the Corporation, including but not limited to determining and approving compensation for the Corporation's Chief Executive Officer (the "CEO").

To assist in carrying out its duties, the Committee shall have sole authority to retain and terminate outside compensation experts to be used to evaluate and review executive compensation, including sole authority to approve such expert's fees and other retention terms. In addition, the Committee shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

II. Composition

- A. The Committee shall be comprised of no fewer than two members. All members of the Committee shall meet the independence requirements of the New York Stock Exchange. In addition, members of the Committee shall also qualify as "non-employee directors" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.
- B. Committee members shall be elected by the Board on the recommendation of the Corporate Governance Committee and may be replaced by the Board. Unless a Chairperson is elected by the Board, the members of the Committee may designate a Chairperson by majority vote of the full Committee membership.

III. Meetings

The Committee shall meet at least twice a year and at such other times as it deems necessary to carry out its responsibilities. The Chairman of the Board (the "Chairman"), Chairperson of the Committee or the Board may call such meetings.

IV. Goals, Responsibilities and Duties

Review and approve the total compensation philosophy covering officers and other key executives of the Corporation, and periodically review the competitiveness of the total compensation practices of the Corporation, including the relationship between pay practices and the financial performance of the Corporation.

- A. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's compensation.
- B. Review and approve the salary ranges for other officer level personnel of the Corporation.
- C. Review, approve and, when deemed appropriate by the Committee, recommend the definitive approval by the Board of, the terms and conditions of proposed incentive bonus plans applicable to corporate officers and other key executives of the Corporation and specify the standards of performance, or delegate the authority to specify such standards, pursuant to which awards may be paid to such executives and officers under such incentive bonus plans.
- D. Review and approve annual base salaries (considering recommendations made by the Chairman and Chief Executive Officer of the Corporation) of all officers of the Corporation and of all other employees with salaries above such amount in such salary grades under the Corporation's salary administration programs as determined by the Committee from time to time.
- E. Review and approve proposed stock option and other equity-based plans, other incentive compensation plans and stock purchase plans, and all proposed changes thereto and, where deemed appropriate by the Committee, recommend their definitive approval by the Board and, when deemed appropriate or required by law or New York Stock Exchange rules, approval by the stockholders of the Corporation.
- F. Administer stock option and stock purchase plans of the Corporation and designate from time to time employees of the Corporation and its subsidiaries to whom the options under the stock option plans are to be granted and number of shares subject to each such option or the executive to whom such duties may be delegated.

- G. Review and approve the management succession plan, which shall be updated annually by the Chairman, Chief Executive Officer and Senior Vice President, Human Resources.
- H. Review and approve special hiring and severance arrangements with executive officers of the Corporation, as defined from time to time by the regulations of the Securities and Exchange Commission and designated by the Board.
- I. Review and approve proposed employee benefit plans of the Corporation and proposed changes thereto from time to time (including, but not limited to pension and profit sharing plans, group medical plans and insurance programs) and recommend their definitive approval by the Board when such approval shall be deemed appropriate or required by law.
- J. Produce a Committee report on executive compensation as required by the rules of the Securities and Exchange Commission to be included in the Corporation's annual proxy statement and review and approve other information concerning executive compensation to be disclosed in the annual proxy statement.
- K. Review and recommend to the Board , or determine the compensation of Directors.
- L. Review and approve other programs or plans deemed necessary by the Committee.
- M. Conduct an annual performance evaluation of the Committee.
- N. Annually review and assess the adequacy of the Charter and recommend any proposed changes to the Board for approval.
- O. Fulfill such other duties and responsibilities as may be assigned to the Committee from time to time, by the Board and/or the Chairman.