

BEST BUY CO., INC.

COMPENSATION AND HUMAN RESOURCES COMMITTEE

CHARTER

Purpose

The Compensation and Human Resources Committee (“**Committee**”) of Best Buy Co., Inc. (the “**Company**”) is appointed by the Board of Directors (“**Board**”) to discharge the Board’s responsibilities relating to executive officer compensation. Executive officer includes any officer of the Company subject to Section 16 of the Securities Exchange Act of 1934, as amended, and any other officer reporting directly to the Chief Executive Officer (“**CEO**”). The Committee has overall responsibility for approving and evaluating the Company’s executive officer compensation plans, policies and programs, and oversight of the Company’s human resources policies and programs. The Committee is also responsible for compliance with the rules and regulations of the Securities and Exchange Commission (“**SEC**”), the New York Stock Exchange (“**NYSE**”) and other applicable rules and regulations.

Committee Membership

The Committee will be composed of at least three directors, all of whom are independent under NYSE rules, and at least a majority of which will be “outside directors” as defined by Section 162(m) of the Internal Revenue Code of 1986, as amended. Committee members will also be “non-employee” directors as defined by Rule 16b-3 under the Securities Exchange Act of 1934. The Committee members and Chairperson will be appointed by the Board pursuant to the recommendations of the nominating committee of the Board and may be removed by the Board in its discretion. The Committee may delegate any authority it deems appropriate, to the extent consistent with applicable law or applicable rules of exchange. The Committee continues to reserve the right to exercise all delegated authority.

Meetings

The Committee will meet on a regularly scheduled basis and at such additional times as circumstances require. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. Two members will comprise a quorum. The Committee may request that other Board members, or officers or other employees of the Company, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee. The Committee shall have the right to meet in executive session (without management present) with any of the outside counsel, consultants, experts or other advisors it deems necessary to retain. During the meeting, a record of the meeting minutes shall be taken. In lieu of a meeting, action may be taken by a majority vote of the Committee members via written consent or written action.

Committee Authority and Responsibility

1. **General.** The Committee will have the authority to conduct or authorize a review of any matters within its scope of responsibility. It is empowered to:

- (a) Obtain full access to all relevant records, property and personnel of the Company.
- (b) Retain an independent compensation consultant to assist in the evaluation and/or implementation of director, CEO or executive compensation and retain outside counsel or other experts and advisors as it determines necessary.
- (c) Approve appropriate compensation, at the Company's expense, for the Committee's independent compensation consultant and any other expert or advisor engaged by the Committee for the purpose of carrying out its duties, and ordinary administrative expenses of the Committee.

2. Executive and Director Compensation

- (a) The Committee will establish and periodically review the compensation philosophies for the Company's executive officers and Board members and will oversee their implementation to ensure that compensation decisions regarding executive officers and Board members are aligned with the philosophies.
- (b) The Committee will 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 incentive-based components of the CEO's compensation, the Committee will consider the Company's performance, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years, and any other factors deemed appropriate.
- (c) 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 officers.
- (d) The Committee will review and determine the individual elements of compensation and benefits for all executive officers.
- (e) The Committee will review the cash and equity-based compensation, and indirect compensation, if applicable, for Board members and committees of the Board, and provide recommendations regarding such compensation to the Board for review and approval.
- (f) The Committee will review and approve severance or employment-related agreements for the Company's executive officers.

3. Officer Appointments and Evaluations

- (a) The Committee will assist the Board in evaluating candidates for executive officer positions and oversee the development of executive succession plans for executives, as appropriate.
- (b) The Committee will appoint officers of the Company other than the CEO, except to the extent that the Committee further delegates the appointment of officers.
- (c) The Committee shall oversee the evaluation of management, as appropriate.

4. Compensation and Human Resources Practices, Policies and Programs

- (a) The Committee will be responsible for developing and approving the Company's Director and Executive Stock Ownership Guidelines and review Director and Executive stock ownership guidelines.
- (b) The Committee shall review and approve (i) all material compensation-related policies (e.g. the Company's policy on claw backs, hedging and pledging), and (ii) all equity-based compensation plans, including any material changes thereto, subject to Board and shareholder approval as appropriate. The Committee shall receive periodic reports on all material incentive plans of the Company.
- (c) The Committee will periodically, but no less than annually, assess the Company's various compensation programs, including those in which non-executive officers participate, to determine whether the programs encourage executive officers and other participating employees to engage in unnecessary or excessive risk taking that could have a material adverse effect on the Company.

5. Regulatory Matters

- (a) As required under applicable securities laws and rules, the Committee will review the Company's annual report on Form 10-K, and, as applicable, any proxy statement on Schedule 14A and/or information statement on Schedule 14C. The Committee will review and discuss with management the Compensation Discussion and Analysis section of the Company's annual proxy statement and, based on this review and analysis, determine whether or not to recommend to the Board the inclusion of such section in the Company's proxy statement and annual report on Form 10-K. The Committee will also prepare its report to be included in the Company's annual proxy statements in compliance with SEC regulations.
- (b) The Committee will oversee regulatory compliance with respect to compensation matters and related tax matters, including SEC and NYSE rules regarding compensation and equity compensation plans.

- (c) The Committee will review results of, and make recommendations with respect to, shareholder “say-on-pay” and “say-on-pay” frequency votes and other proxy proposals relating to executive compensation matters.
- (d) The Committee will assess periodically (but no less frequently than as required by SEC and NYSE rules and regulations) the independence and any actual or potential conflicts of interest of any compensation consultant, outside counsel, or other expert or advisor to the Committee, each in accordance with SEC regulations and the listing requirements of the NYSE.

The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the Company’s articles or by-laws, or the Board.

The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of this Charter at least annually and will partner with the nominating committee to recommend any proposed changes to the Board for approval.

The Committee will annually evaluate its own performance to determine whether it is functioning effectively.