

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
ADVANCEPIERRE FOODS HOLDINGS, INC.**

**ADOPTED AS OF JULY 13, 2016**

**I. PURPOSE OF THE COMMITTEE**

The purposes of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of AdvancePierre Foods Holdings, Inc. (the “Company”) shall be to oversee the Company’s compensation and employee benefit plans and practices, including its executive compensation plans, and its incentive-compensation and equity-based plans; to review and discuss with management the Company’s compensation discussion and analysis (“CD&A”) to be included in the Company’s annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission (“SEC”); to prepare the Compensation Committee Report as required by the rules of the SEC; and to perform such further functions as may be consistent with this Charter or assigned by applicable law, the Company’s charter or bylaws or the Board.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall consist of three or more directors as determined from time to time by the Board. At such time as the Company ceases to qualify as a “controlled company,” and after any permissible phase-in period, each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the “NYSE”), and any additional requirements that the Board deems appropriate or as may be required by law. 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 (the “Exchange Act”), and “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (“Section 162(m)”). Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

The chairperson of the Committee shall be designated by the Board, *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson. The chairperson of this Committee shall (a) chair all meetings of the Committee; (b) set the frequency and length of the meeting(s) and the agenda items to be addressed at each meeting; (c) as appropriate, report the actions taken by the Committee, and any recommendations to the full Board after each Committee meeting; and (d) perform such other activities as from time to time are requested by the Board or as circumstances indicate.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less than twice annually. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

The presence in person, by telephone or by videoconference of a majority of the Committee’s members shall constitute a quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is present. The Committee shall maintain minutes of its meetings

and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all the members of the Committee consent thereto in writing or by electronic transmission, and the writing or electronic transmission is filed with the minutes of proceedings of the Committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

##### ***Executive Compensation and Director Compensation***

Except as otherwise determined by the Board, and concurrent with any other authority granted to other committees of the Board, the Committee shall have the following duties and responsibilities, and is authorized to take the following actions:

- (a) Review at least annually the goals and objectives of the Company's executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.
- (b) Review at least annually the Company's executive compensation plans in light of the Company's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt new, or amend existing, executive compensation plans.
- (c) Evaluate annually the performance of the Chief Executive Officer in light of the goals and objectives of the Company's executive compensation plans, and determine and approve the Chief Executive Officer's compensation level based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee shall consider factors as it determines relevant, which may include, for example, the Company's performance and relative shareholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the Chief Executive Officer of the Company in past years. The Committee may discuss the Chief Executive Officer's compensation with the Board if it chooses to do so.
- (d) Evaluate annually the performance of the other executive officers of the Company in light of the goals and objectives of the Company's executive compensation plans, and determine and approve the compensation of such other executive officers. To the extent that long-term incentive compensation is a component of such executive officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the Chief Executive Officer.
- (e) Evaluate annually the appropriate level of compensation for Board and Committee service by non-employee directors, and to make recommendations to the Board regarding such compensation.
- (f) Review and approve any employment agreements, severance or termination arrangements and any other compensatory contracts or arrangements to be made with any executive officer of the Company.

(g) Perform such duties and responsibilities as may be assigned to the Committee under the terms of any executive compensation plan.

(h) Review and approve perquisites or other personal benefits to the Company's executive officers and recommend any changes to the Board with respect to any perquisites or other personal benefits to directors.

(i) Consider the results of the most recent shareholder advisory vote on executive compensation as required by Section 14A of the Exchange Act and, to the extent the Committee determines it appropriate to do so, take such results into consideration in connection with the review and approval of executive officer compensation.

(j) Review and discuss with management the Company's CD&A, and based on that review and discussion, to recommend to the Board that the CD&A be included in the Company's annual proxy statement or annual report on Form 10-K.

(k) Review compensation arrangements for the Company's employees to evaluate whether incentive and other forms of pay encourage unnecessary or excessive risk taking, and review and discuss, at least annually, the relationship between risk management policies and practices, corporate strategy and the Company's compensation arrangements

(l) To the extent it deems necessary, review and approve the terms of any compensation "clawback" or similar policy or agreement between the Company and the Company's executive officers or other employees subject to Section 16 of the Exchange Act.

(m) Prepare the Compensation Committee Report in accordance with the rules and regulations of the SEC for inclusion in the Company's annual proxy statement or annual report on Form 10-K.

(n) Perform such other functions as assigned by law, the Company's charter or bylaws or the Board.

(o) Make all decisions (and the Committee shall have sole discretion and authority to do so) with respect to any action regarding compensation payable to the Chief Executive Officer or other executive officers of the Company that the Committee intends to constitute "qualified performance-based compensation" for purposes of Section 162(m).

#### ***General Compensation and Employee Benefit Plans***

(p) Review the goals and objectives of the Company's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.

(q) Review the Company's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, in light of the goals and objectives of these plans, and amend, or recommend that the Board amend, these plans if the Committee deems it appropriate.

(r) Review all equity compensation plans to be submitted for stockholder approval under the NYSE listing standards, and to review and, in the Committee's sole discretion, approve all equity-compensation plans that are exempt from such stockholder approval requirement.

(s) Perform such duties and responsibilities as may be assigned to the Committee under the terms of any compensation or other employee benefit plan, including any incentive-compensation or equity-based plan.

## **V. ROLE OF CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer may make, and the Committee may consider, recommendations to the Committee regarding the Company's compensation and employee benefit plans and practices, including its executive compensation plans and its incentive-compensation and equity-based plans with respect to executive officers other than the Chief Executive Officer.

## **VI. EVALUATION OF THE COMMITTEE**

The Committee shall, on an annual basis, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

## **VII. RESOURCES**

The Committee shall have authority to retain such outside counsel, experts and other advisors (including any compensation consultants to advise the Committee with respect to amounts or forms of executive and director compensation) as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms. The Company will provide for appropriate funding, as determined by the Committee, for the payment of compensation to any advisors employed by the Committee and the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee may also utilize the services of the Company's regular legal counsel or other advisors.

The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following:

- (i) The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- (ii) The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the

total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

- (iii) The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- (iv) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (v) Any shares of the Company owned by the compensation consultant, legal counsel or other adviser; and
- (vi) Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Committee shall conduct the independence assessment with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee, other than: (i) in-house legal counsel; and (ii) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

Nothing herein requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the Committee consider the enumerated independence factors before selecting or receiving advice from a compensation consultant, legal counsel or other compensation adviser. The Committee may select or receive advice from any compensation consultant, legal counsel or other compensation adviser it prefers, including ones that are not independent, after considering the six independence factors outlined above.

Nothing herein shall be construed: (i) to require the use or retention of a compensation consultant, legal counsel or other adviser to the Committee; (ii) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee; or (iii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

### **VIII. DELEGATION OF AUTHORITY**

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee to the extent consistent with the Company's operating agreement, applicable law, rules and regulations and the rules of the NYSE; *provided, however,* that no subcommittee shall consist of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.