

CARIBOU COFFEE COMPANY, INC.

COMPENSATION COMMITTEE CHARTER

- I. **Composition of the Compensation Committee:** The Compensation Committee (the “Committee”) of Caribou Coffee Company, Inc. (the “Company”) shall be comprised of at least three directors, each of whom shall (a) qualify as an Independent Director under the Listing Standards of The Nasdaq Stock Market, Inc., (b) be a “non-employee” director within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, (c) be an “outside director” under § 162(m) of the Internal Revenue Code of 1986, as amended and (d) otherwise be free from any relationship that, in the opinion of the Board of Directors (the “Board”), would interfere with the exercise of his or her independent judgment as a member of the Committee; provided, however, that, in accordance with Nasdaq Marketplace Rule 4350(a)(5) (which allows the phase-in of the independent directors requirements under such rules), for the first 12 months after the closing of the Company’s initial public offering, a minority of the directors on the Committee may be directors who do not satisfy the requirements of paragraphs (a) through (d) above.

Members shall be appointed by the Board based on nominations recommended by the Nominating and Corporate Governance Committee, and shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

- II. **Purposes of the Compensation Committee:** The purposes of the Committee are to:
- A. assist the Board in discharging the Board’s responsibilities relating to compensation of the Company’s directors and executives and the Company’s overall compensation and benefits structure; and
 - B. produce an annual report on executive compensation for inclusion in the Company’s annual meeting proxy statement in accordance with applicable rules and regulations.
- III. **Meetings of the Compensation Committee:** The Committee shall hold such meetings as may be called by the Chairperson of the Committee or at the request of the Board of Directors. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.
- IV. **Responsibilities and Duties of the Compensation Committee:** To carry out its purposes, the Committee shall have the following responsibilities and duties:
- A. Compensation
 - 1. Annually review and approve the Company’s goals and objectives relevant to chief executive officer (“CEO”) and executive compensation, including as the Committee deems appropriate, consideration of the Company’s performance and relative shareholder return, the value of similar incentive awards to officers at comparable companies, the awards given to officers in past years and such other factors as the Committee deems relevant, and evaluate the CEO’s and the other executives’ performance in light of those goals and objectives.
 - 2. Annually review and approve, for the CEO and the other executives of the Company, (a) the annual base salary level, (b) the annual incentive opportunity

level, (c) the long-term incentive opportunity level and (d) any special or supplemental benefits or perquisites.

3. Review and approve, for the CEO and other executives, employment agreements, severance arrangements and change in control agreements/provisions, in each case as, when and if appropriate.
4. Annually review and make recommendations to the Board concerning the adoption, terms and operation of the Company's compensation plans for all directors, officers and other executives, including incentive compensation plans and equity-based plans.
5. Grant stock options, restricted stock and other discretionary awards under the Company's incentive compensation and equity-based plans.
6. Perform the administrative functions assigned to the Committee by the Board or the provisions of any incentive compensation plan, equity-based plan, employee stock purchase plan or other employee benefit plan.
7. Retain, as deemed necessary, and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive compensation. The Committee shall have sole authority to select such consultant and approve the consultant's fees and other retention terms.

B. General

1. Report periodically to the Board.
2. Annually review the adequacy of this Charter and recommend any proposed changes to the Board for approval.
3. Assist the Board in developing and evaluating candidates for executive positions, including the CEO, and oversee the development of executive succession plans.
4. Annually prepare a report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations.
5. Annually evaluate the performance of the Committee.
6. Perform any other activities consistent with this Charter, the Company's articles of incorporation and bylaws and applicable laws, as the Committee deems appropriate or as requested by the Board.

- V. **Resources and Authority of the Compensation Committee:** The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to engage and approve fees and other retention terms of special or independent counsel or other advisors, as it deems appropriate to carry out its duties, without seeking approval of the Board or management. The Company will provide for appropriate funding, as determined by the Committee, for the payment of (a) compensation to any advisors employed by the Committee under the preceding sentence, and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- VI. **Delegation to Subcommittee:** To the extent permitted by applicable law, the Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee; provided, however, that any actions taken pursuant to any such delegation shall be reported to the Committee at its next meeting.