

**COMPENSATION COMMITTEE CHARTER  
OF  
BLACKHAWK NETWORK HOLDINGS, INC.**

This Compensation Committee Charter (the “Charter”) was adopted by the Board of Directors (the “Board”) of Blackhawk Network Holdings, Inc., a Delaware corporation (the “Company”), on March 28, 2013 and amended on August 21, 2013, April 27, 2015 and April 25, 2016.

**I. Purpose**

The purpose of the Compensation Committee of the Board (the “Committee”) is to assist the Board in discharging the Board’s responsibilities regarding: (1) the establishment and maintenance of compensation and benefit plans, policies and programs designed to attract, motivate and retain personnel with the requisite skills and abilities to enable the Company to achieve superior operating results; (2) the compensation of the Company’s Chief Executive Officer (the “CEO”), the Company’s other officers, as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Company’s non-management directors; and (3) compliance with the compensation rules, regulations and guidelines promulgated by the NASDAQ Stock Market, the Securities and Exchange Commission (the “SEC”) and other law, as applicable. Each of the CEO and the other officers, as defined in Rule 16a-1(f) of the Exchange Act, is referred to as “executive officer” herein.

The Committee shall ensure that compensation programs are designed to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company’s stockholders. In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

**II. Membership**

The Committee shall be composed of at least three (3) directors as determined by the Board, each of whom shall (1) satisfy the independence requirements of the NASDAQ Stock Market (or the applicable listing standards of another exchange) and applicable regulations promulgated by the SEC, (2) be a “non-employee director” within the meaning of Rule 16b-3 of the Exchange Act, (3) be an “outside director” under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), (4) not accept directly or indirectly any consulting, advisory or other compensatory fee (subject to the exclusions specified in the NASDAQ Stock Market rules) from the Company or any subsidiary thereof and (5) comply with any other applicable listing requirements of the NASDAQ Stock Market (or the applicable listing standards of another exchange) and the rules and regulations of the SEC, in each case as may be amended and/or modified from time to time.

The members of the Committee, including the Chairperson of the Committee (the “Chair”), shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause and with or without prior notice, by the Board. Any action duly taken by the Committee shall be

valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein. If at any time and for so long as the Committee has fewer than two members, then all of the duties and responsibilities of the Committee set forth in this Charter shall be exercised by the directors of the Board that are independent (within the meaning of NASDAQ Marketplace Rule 5605(a)(2), including without limitation as contemplated by NASDAQ Marketplace Rule 5605(d)(2)(A)).

### **III. Meetings and Procedures**

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee should meet as often as it determines advisable to fulfill its duties and responsibilities, but in no event less than twice per fiscal year. Meetings of the Committee may be called by the Chair upon notice given at least twenty-four hours prior to the meeting, or upon such shorter notice as shall be approved by the Committee. The Chair shall designate a secretary for each meeting who shall record minutes of all formal actions of the Committee. A majority of the Committee members, present in person or by phone, shall constitute a quorum. A majority of the members present shall decide any questions brought before the Committee, except to the extent otherwise required by the Company's certificate of incorporation or bylaws (each as in effect from time to time). Notwithstanding the foregoing, in the event the Committee consists of only two members, both members must be present, in person or by phone, to constitute a quorum, and any questions brought before the Committee must be decided by unanimous vote. Meetings of the Committee may be held by conference call. Unless otherwise restricted by the Company's bylaws, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all members of the Committee consent thereto in writing, and such writing is filed with the minutes of the Committee.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee at the invitation of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the independent auditor, the internal auditor, if any, any other financial personnel employed or retained by the Company or any other person whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the CEO may not be present during voting or deliberations concerning his or her compensation, and the Committee may exclude from its meetings any persons it deems appropriate, including but not limited to, any non-management director who is not a member of the Committee.

Consistent with any applicable requirements of the Exchange Act and any applicable NASDAQ Stock Market rules, the Committee may, in its sole discretion, retain or obtain the advice of any compensation consultant, legal counsel or other advisors as the Committee believes to be desirable and appropriate. The Committee may also use the services of the Company's regular legal counsel or other advisors to the Company. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other advisors retained by the Committee. Prior to selecting, or receiving advice from, any compensation consultant, legal counsel or other advisors, other than in-house legal counsel, the Committee shall take into consideration the factors required under the Exchange Act and the applicable NASDAQ Stock Market rules. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other advisor retained by

the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Chair shall report to the Board regarding the activities of the Committee at appropriate times and as otherwise requested by the Chairperson of the Board.

#### **IV. Powers and Responsibilities**

1. The Committee shall, at least annually, review the compensation philosophy of the Company.
2. The Committee shall obtain information on market trends in executive compensation and shall review the competitiveness of the Company's executive compensation programs to ensure (i) the attraction and retention of executive officers; (ii) the motivation of executive officers to achieve the Company's business objectives; and (iii) the alignment of the interests of executive officers with the long-term interests of the Company's stockholders.
3. The Committee shall, at least annually, review and approve the corporate goals and objectives relevant to CEO and other executive officer compensation, evaluate CEO and executive officer performance in light of those goals and objectives, and, either on its own or together with the other independent directors on the Board, determine and approve all compensation of the CEO and executive officers based on such evaluation.
4. The Committee shall, at least annually, review and approve all compensation for all directors and such other officers and employees of the Company or its subsidiaries as the Board shall determine.
5. The Committee shall, periodically and as and when appropriate, review and approve the following as they affect the CEO and executive officers: (i) any employment agreements and severance arrangements; (ii) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (iii) any special or supplemental compensation and benefits for the CEO and executive officers and individuals who formerly served as CEO and executive officers, including supplemental retirement benefits and the perquisites provided to them during and after employment.
6. The Committee shall oversee the Company's compliance with the requirement under applicable NASDAQ Stock Market rules that, with limited exceptions, stockholders approve equity compensation plans. Subject to such stockholder approval, or as otherwise required by the Exchange Act, the Code or other applicable law, the Committee shall have the power to establish, amend, periodically review and, where appropriate, terminate all annual bonus, long-term incentive compensation, employee retirement or pension and welfare benefit plans including 401(k) plans, employee stock purchase plans, long term incentive plans, management incentive plans and others, and with respect to each plan shall have responsibility for:
  - (i) setting performance goals under all annual bonus and long-term incentive compensation plans as appropriate;
  - (ii) confirming that any and all performance goals upon which vesting and/or payment of any executive officer's performance-based compensation award(s) is contingent have been met before such awards vest and/or are paid, as applicable;
  - (iii) approving all amendments to, and terminations of, all compensation plans and any awards under such plans;

(iv) granting any awards under any performance-based annual cash bonus, long-term incentive compensation and equity compensation plans, including stock options and other equity rights (e.g., restricted stock, stock purchase rights);

(v) approving which employees or consultants are entitled to awards under the Company's equity compensation plan(s) and program(s) and other periodic and long-term incentive equity compensation programs, except to the extent that such approval authority is delegated to any executive officer or committee of executive officers with respect to limited grants of such awards to non-executive officers; and

(vi) repurchasing securities from terminated employees; and

(vii) providing compensation risk assessments.

All periodic plan reviews should include reviewing the plan's administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of the plan's internal and external administrators if any duties have been delegated.

7. The Committee shall establish and periodically review policies concerning perquisite benefits.

8. The Committee shall periodically review the need for a Company policy regarding compensation paid to the Company's executive officers in excess of limits deductible under Section 162(m) of the Code. With respect to any compensation that is intended to constitute "qualified performance-based compensation" within the meaning of Section 162(m) of the Code, the duties and responsibilities of the Committee shall include (i) committing to writing any and all performance goals for all "covered employees" under Section 162(m) of the Code within the first 90 days of the performance period to which such goal relates or, if shorter, within the period provided by Section 162(m) of the Code in order for such goal to be "pre-established" within the meaning of Section 162(m) of the Code and (ii) certifying in writing whether performance goals have been attained.

9. The Committee shall determine the Company's policy with respect to change of control or "parachute" payments.

10. The Committee shall manage and review executive officer and director indemnification and insurance matters.

11. The Committee shall manage and review any employee loans.

12. The Committee shall monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.

13. The Committee shall have generalized supervisory responsibility for the compensation policies applicable to all employees of the Company, including periodic reviews of the adequacy of the Company's compensation structure, performance review procedures, employee turn-over and retention, successorship plans and other human resource issues. The Committee shall receive periodic reports on the Company's compensation programs as they affect all employees.

14. The Committee shall review and discuss with the management of the Company the Company's Compensation Discussion and Analysis ("CD&A"), and based on such discussions, determine

whether to recommend to the Board that the CD&A be included in the Company's proxy statement and annual report on Form 10-K.

15. The Committee shall prepare and approve the Compensation Committee report to be included as part of the Company's annual proxy statement (or other applicable filing) in compliance with the rules and regulations promulgated by the SEC.

16. The Committee shall periodically review and make recommendations to the Board with respect to the compensation of the Board's non-management directors. In addition, the Committee shall, at the end of each year, review the non-management director compensation and benefits.

17. The Committee shall recommend to the Board the employment and appointment of future executive officers, including the CEO, as well as promotion and changes in position of incumbent executive officers upon review of their performance.

18. The Committee shall review the Company's incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk taking and shall review and discuss, at least annually, the relationship between risk management policies and practices, business strategies and the executive officers' compensation.

19. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee.

20. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

21. The Committee shall, in fulfilling its duties and responsibilities, consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Exchange Act and consider the relationship between risk management policies or practices and compensation.

## **V. Delegation of Duties**

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, but only to the extent consistent with the Company's certificate of incorporation, bylaws, Section 162(m) of the Code, applicable NASDAQ Stock Market rules, and other applicable law.

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