



Beacon Roofing Supply, Inc.

Compensation Committee Charter

Purpose

The Compensation Committee (the "Committee") of the Board of Directors has the responsibility for the compensation of executive officers of the Company. The Committee also administers and makes awards under the Company's stock plan and in the case of executive officers, the annual cash incentive plans. The Committee periodically reviews the incentive plans provided to employees in sales and operational roles. The Committee shall review and discuss with the Company's management the Compensation Discussion and Analysis ("CD&A") and determine whether to recommend to the Board of Directors that the CD&A be included in the Company's Proxy Statement. The Committee shall also prepare a Compensation Committee Report for inclusion in the Company's Proxy Statement, in accordance with applicable rules and regulations of the Securities and Exchange Commission ("SEC"). The Committee reviews and recommends to the Board the Company's submissions to stockholders on executive compensation matters and considers the results of stockholder advisory votes on executive compensation matters and the changes, if any, that may be warranted.

Composition

The Committee will consist of at least three directors, all of whom meet the independence requirements for board members and for members of a compensation committee contained in the Nasdaq Stock Market ("NASDAQ") listing standards, as determined by the Board. All Committee members shall also be "non-employee directors" as defined by Rule 16b-3 under the Securities Exchange Act of 1934, and at least two members shall be "outside directors" as defined by Section 162(m) of the Internal Revenue Code. The Board will appoint the Committee members annually. Members may be removed by the Board at any time in its discretion, but shall otherwise serve until a successor has been named. The Chair will be appointed by the Committee and may be removed by the Committee in its discretion. No director shall serve as a member of the Committee if such director has been or is currently a part of an interlocking directorate in which the Chief Executive Officer (CEO) or another executive officer of the Company serves on the compensation committee of another company that employs such director. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of outside directors or management, to the extent provided for in any compensation plan.

Duties and Responsibilities

The general responsibilities of the Committee are oversight of executive compensation for the Chairman, the President and Chief Executive Officer ("CEO"), and the other executive officers, periodic reviews of certain elements of compensation for sales and operations employees, communications with the Board of Directors, and communications with shareholders through the Proxy Statement. The Committee also has general responsibility for ensuring that the Company has in place policies and programs for the development of senior management and senior management succession.

- **Stock Plan Administration:** The Committee shall make recommendations to the Board regarding the type and structure of equity-based plans for all employees. The Committee shall have full and final authority in connection with the administration of such plans. In furtherance of the foregoing, the Committee shall, in its sole discretion, grant stock options and make awards of restricted stock or Restricted Stock Units ("RSUs") under the Company's stock plan to employees, executives and directors, pursuant to the terms and conditions determined by the Committee.
- **Incentive Compensation:** The Committee shall make recommendations to the Board regarding the type and structure of cash incentive compensation plans that should be used for executive officers. The Committee shall have full and final authority in connection with the administration of such plans. The Committee will periodically review cash incentive plans for sales and operational roles.
- **Director Compensation:** The Committee shall make recommendations to the Board with respect to the compensation of directors.

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- **Chairman and CEO Compensation:** The Committee annually shall make recommendations to the Board with respect to the compensation level of the Chairman and the CEO. In so doing, the Committee may consider the Company's performance and relative shareholder return, the value of similar incentive awards to similarly situated executives at comparable companies, and the awards given to the Chairman and CEO in past years when determining the long-term component of their compensation. Neither the Chairman nor the CEO may be present during any deliberations or voting on his or her compensation.
- **Executive Officer Compensation:** The Committee annually shall review the CEO's recommendations on the compensation of the executive officers of the Company and make recommendations to the Board with respect thereto and with respect to the Company's major compensation policies and practices. In so doing, the Committee shall consider the executive officers': (a) annual base salary level, (b) annual cash and other non-equity incentive opportunity levels, (c) long-term incentive opportunity awards made by the Committee, (d) employment agreements, severance arrangements, and change in control agreement/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.
- **Other Agreements:** The Committee shall make recommendations to the Board regarding any severance, change in control, employment or similar agreements that are entered into between the Company and its executive officers.
- **Compensation Consultants, Legal Counsel and Other Advisers:** The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consulting firm, legal counsel or other adviser retained by the Committee. The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the factors set forth in the rules of the SEC and NASDAQ. The Committee shall review such factors with respect to each adviser at least annually.
- **Miscellaneous:** The Committee shall have such other duties as delegated by the Board of Directors.
- **Charter:** The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- **Meetings:** The Committee shall have at least two (2) regularly scheduled meetings but will meet as often as necessary to carry out its responsibilities. Meetings may be called by the Chairman of the Committee and/or the CEO of the Company. The Corporate Secretary will maintain one set of all Committee minutes as Corporate records and will be provided a set of all Committee correspondence. Reports of meetings of the Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board of Directors approved by the Committee.
- **Compensation Risk Assessment:** The Committee shall periodically evaluate the compensation policies and practices of all employees to ensure they do not pose risks that are reasonably likely to have a material adverse effect on the Company.
- **Stock Ownership Guidelines:** The Committee shall establish and periodically review stock ownership and retention guidelines for executive officers.
- **Clawback / Recoupment:** The Committee shall administer the Company's incentive recoupment policy
- **Self-Assessment:** The Committee shall periodically perform a self-assessment to review its own performance.