



# Delta Apparel, Inc.

## Charter for the Compensation Committee of the Board of Directors

Adopted: June 30, 2011

### I. PURPOSE

The primary function of the Compensation Committee (the “Committee”) of Delta Apparel, Inc. (the “Company”) is to assist the Board of Directors in fulfilling its oversight responsibilities relating to senior executive and director compensation. The Committee shall oversee, review and administer all of the Company’s present and future compensation and executive benefit plans and programs. In performing this function, the Committee’s goal is for the Company’s compensation programs to be consistent with the Company’s strategic business objectives and shareholder interests. The Committee shall have the duties and responsibilities as described in Section 3 of this Charter.

### II. COMPOSITION OF THE COMMITTEE

The Committee will consist of not less than two directors, each of whom will satisfy the independence requirements applicable to compensation committee members set forth in the NYSE American listing standards or the listing standards of any stock exchange upon which the Company’s securities are then traded as well as any other applicable law, rules, and regulations regarding independence as they are in effect from time to time.

The members of the Committee shall be elected by the Board at the meeting of the Board that occurs on the date of the Company’s annual stockholders’ meeting, and shall serve until their successors shall be duly elected and qualified. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### III. RESPONSIBILTIES AND DUTIES

The Committee shall:

- Review at least annually and approve the Company’s compensation

strategy, corporate goals and objectives relevant to management compensation and total compensation policy with a goal of establishing and maintaining compensation programs that support business objectives, create shareholder value in both the long and short term, retain key executive talent, link compensation with business performance and comply with applicable regulatory requirements. The Committee may also consider such other factors as it deems appropriate, including, without limitation, competitive practices.

- Provide oversight and guidance on the development and implementation of compensation and benefit plans for the Company (other than the excluded plans), including, without limitation, adopting and amending such other compensation plans as the Committee may deem necessary or appropriate.
- Review at least annually and approve the measures of performance, both qualitative and quantitative, with respect to the Company's Chief Executive Officer. The Committee shall evaluate at least annually the Chief Executive Officer's performance in light of these measures and, based upon these evaluations, shall approve the Chief Executive Officer's compensation package. The meeting at which this evaluation and approval occurs shall be held in executive session.
- Review at least annually and approve the measures of performance, both qualitative and quantitative, with respect to the Company's other executive officers. The Committee shall evaluate at least annually each such officer's performance in light of these measures and, based upon these evaluations, shall approve the compensation package for such executive officers. The Committee shall also provide oversight of management's decisions concerning the performance and compensation of other Company officers and key employees.
- As applicable, review and discuss with management the Compensation Discussion and Analysis ("CD&A") required by Item 402 of Regulation S-K promulgated under the Exchange Act. Based on such review and discussion, determine whether to recommend to the Board that the CD&A in the form prepared by management be included in the Company's proxy statement.
- Prepare for inclusion in the Company's proxy statement a Compensation Committee Report on Executive Compensation in accordance with the applicable requirements of the rules and regulations of the SEC.
- Review and assess on an annual basis the risks associated with the Company's compensation policies and practices for employees.
- Review and approve compensation for non-employee members of the Board of Directors (other than compensation payable under excluded plans), which may

include, but is not limited to, the following elements: retainer, meeting fees, committee fees, committee chair fees, benefits, and perquisites.

- Review matters related to management performance, compensation and succession planning.
- Approve separation packages and severance benefits for executive officers to the extent these packages are outside the ordinary plan or contractual limits.
- Perform any other activities consistent with this Charter, Company Bylaws and governing law as the Committee or the Board deems necessary or appropriate.
- Review the Committee Charter from time to time and recommend any changes to the Board.

Where legally permissible the Committee shall have the authority to delegate such of its responsibilities as the Committee may deem necessary or appropriate in its sole discretion.

The Committee shall have the authority to obtain such data, engage such professionals and advisers and use such other internal and external resources as it deems necessary to fulfill its responsibilities and duties. This shall include, without limitation, the authority to consult with the Company's management and corporate staff, obtain external consultant reports, published salary surveys, and other materials and to engage independent compensation consultants, accountants, attorneys and other professionals. The Committee shall have sole authority to approve fees and other terms of engagement for any professional advisers retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for the payment of compensation to independent compensation consultants, accountants, attorneys and other professionals employed by the Committee pursuant to this paragraph, and for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In engaging independent compensation consultants, attorneys and other advisors, the Committee will consider all relevant factors, including the following:

- (i) The provision of other services to the Company by the person that employs the compensation consultant, attorney or other adviser;
- (ii) The amount of fees received from the Company by the person that employs the compensation consultant, attorney or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, attorney or other adviser;
- (iii) The policies and procedures of the person that employs the compensation consultant, attorney or other adviser that are designed to prevent conflicts of interest;

(iv) Any business or personal relationship of the compensation consultant, attorney or other adviser with a member of the Committee;

(v) Any Company stock owned by the compensation consultant, attorney or other adviser; and

(vi) Any business or personal relationship of the compensation consultant, attorney, other adviser or the person employing the adviser with an executive officer of the Company.

#### **IV. COMMITTEE MEETINGS**

The Committee shall meet as often as necessary to carry out its responsibilities. Meetings may be called by the Chairperson of the Committee and/or by the management of the Company. Reports of meetings of the Committee will be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting and shall be accompanied by any recommendations to the Board of Directors approved by the Committee.

The Committee shall also meet as and when necessary to act upon any other matters within its jurisdiction. A majority of the total number of members of the Committee shall constitute a quorum at all Committee meetings. A majority of the members of the Committee are empowered to act on behalf of the Committee.