



## SEMTECH CORPORATION

### COMPENSATION COMMITTEE CHARTER

#### A. Purpose

As permitted by the Bylaws of Semtech Corporation (the “**Company**”), the Board of Directors of the Company (the “**Board**”) has established a standing Compensation Committee (“**Committee**”) whose authority and responsibilities are described by this charter (“**Charter**”).

The purpose of the Committee is to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers, and to take such other actions within the scope of this Charter as the Committee deems necessary or appropriate.

#### B. Size, Composition and Term of Appointment

1. The Committee will be composed of no less than two directors who, in the business judgment of the Board, are (i) “independent directors” as such term is defined under applicable listing standards of The Nasdaq Stock Market LLC (“**NASDAQ**”) and otherwise independent for purposes of membership on the Committee in accordance with applicable NASDAQ listing rules, and (ii) “non-employee directors” as such term is defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The members of the Committee shall be appointed by and serve at the discretion of the Board, based upon recommendations of the Nominating and Governance Committee of the Board, and may be removed at any time by the Board. The Board will appoint one member of the Committee to serve as the Chairperson.
2. The Committee has the power to appoint, from among its members, subcommittees, each of which may have (as determined by the Committee) the full power and authority of the Committee; provided, however, 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.

#### C. Meetings

1. The Committee will meet with such frequency, and at such times as its Chairperson, or a majority of the Committee, determines. Such meetings, at the Committee’s discretion, may be in person, by telephone or by unanimous written consent. A special meeting of the Committee may be called by the Chairperson or upon the request of any two Committee members.

2. Minutes of Committee meetings will be prepared and approved at subsequent meetings. Approved minutes will be transmitted to the Secretary of the Company for inclusion in the Company's records.
3. The Committee will be governed by the same rules regarding meetings, actions without meetings, notice, waiver of notice, and quorum and voting requirements that are applicable to the Board. The Committee is authorized to adopt its own rules of procedure not inconsistent with any provision of this Charter, the Bylaws of the Company, or the laws of the State of Delaware.

**D. Authority and Oversight by the Board**

1. The Committee derives its authority from the Bylaws of the Company and the authority delegated to it by the Board. The Committee's direct reporting relationship is to the Board.
2. The Committee will report its activities to the full Board. The Committee will perform the duties delegated to it by the Board.
3. The Committee is authorized to have full and unrestricted access to the independent auditors, internal auditors, internal and outside counsel, the Chief Human Resources Officer, and all personnel, records, operations, properties, and all other information and resources of the Company as required, in its sole discretion, to discharge its duties and responsibilities. The Committee has the authority to direct and supervise an investigation into any matter it deems necessary or appropriate to fulfill its duties.
4. In carrying out their duties, members of the Committee shall be entitled to rely on (i) the integrity of those persons within the Company and of the professionals and experts (such as the independent auditors, the internal auditors and outside advisors and experts) from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts absent actual knowledge to the contrary (which shall be promptly reported to the Board), and (iii) representations made by management or such professionals or experts.

**E. Outside Advisors and Their Funding**

1. The Committee will have the authority, in its sole discretion, to engage independent counsel, compensation and other consultants and other advisors as it deems necessary or appropriate to carry out its duties. Prior to engaging any such counsel, consultants and other advisors, the Committee shall take into account and consider the independence of such advisors in accordance with the relevant rules of the Securities and Exchange Commission ("SEC") and NASDAQ. The Committee shall be directly responsible for the appointment, determination of compensation, and oversight of the work of any such counsel, consultants and other advisors retained by the Committee, including sole authority to approve the counsel's, consultant's or other advisor's fees and other retention terms. The Company will provide for the appropriate funding, as

determined by the Committee, for payment of (i) compensation to any such counsel, consultants and other advisors engaged by the Committee and (ii) ordinary administrative expenses necessary or appropriate in carrying out its duties.

2. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

## **F. Responsibilities and Duties**

In performing its function, the Committee shall undertake those tasks and responsibilities that, in its judgment, would most effectively contribute to and implement the purposes of the Committee. In addition to the general tasks and responsibilities, the following duties and responsibilities are the specific functions of the Committee, to be performed as the Committee deems necessary or appropriate, along with such other responsibilities as the Board shall require from time to time:

### **1. Compensation Philosophy**

- a. The Committee shall periodically review and evaluate the Company's long-term strategy of employee compensation, endeavoring to ensure that compensation policies are designed to attract and retain key employees, motivate employees to achieve the Company's business objectives, and align the interests of the Company's executive management with the long-term interests of the Company's shareholders.
- b. The Committee shall periodically review and evaluate the Company's executive officer compensation policies and practices, endeavoring to ensure that high levels of performance are recognized and rewarded and that the compensation of the Company's executive officers takes into account the levels of compensation of comparable companies (as determined by the Committee in its judgment), general economic conditions, and the Company's performance.

### **2. Executive Compensation and Related Matters**

- a. The Committee shall, at least annually, review and approve goals and objectives for the Chief Executive Officer and evaluate the Chief Executive Officer's performance against those goals and objectives.
- b. The Committee shall determine, or recommend to the Board for determination, all elements of the compensation of the Chief Executive Officer taking into consideration, to the extent it deems appropriate, data provided by the Committee's consultants and advisors and such other information as the Committee may deem appropriate. Notwithstanding the Committee's authority to invite members of Company management to attend Committee meetings, the Chief Executive Officer

may not be present during voting or deliberations as to his or her own compensation.

- c. The Committee shall determine all elements of the compensation of all other executive officers taking into consideration, to the extent it deems appropriate, the recommendations of the Chief Executive Officer, data provided by the Committee's consultants and advisors, and such other information as the Committee may deem appropriate. For purposes of this Charter, "**executive officers**" means those employees who have been determined by the Board to be "executive officers" as such term is defined under applicable listing standards of NASDAQ.
- d. Each year the Committee shall review the Company's annual Compensation Discussion and Analysis ("**CD&A**") disclosure as prepared in accordance with applicable rules and regulations for inclusion in the Company's annual proxy statement or annual report, as applicable, and issue a report (which will also be included in that proxy statement or annual report) as to whether, based on the Committee's review of that disclosure, the Committee recommends to the Board that the CD&A be included in that proxy statement or annual report.
- e. To the extent the Committee determines appropriate, consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Exchange Act.
- f. The Committee shall from time to time review the management development programs and succession plans presented by the Chief Executive Officer and the senior-most executive of the Company's Human Resources department, and make recommendations to the Board for executive officer development and for retention and corporate succession plans for the Chief Executive Officer.
- g. The Committee may adopt, will periodically review and monitor compliance with, and has the authority to modify, in each case as it deems appropriate, any (i) compensation clawback policy applicable to the Company's executive officers and (ii) any stock ownership guidelines applicable to the Company's executive officers or non-employee members of the Board.
- h. The Committee may, if and as it deems is appropriate, consider the Company's compensation arrangements for any other employee or group of employees.

### **3. Incentive Compensation Programs and Benefit Plans**

- a. The Committee shall make recommendations to the Board with respect to any new, or proposed amendment to any existing, equity-based compensation plans, to the extent such amendment authority has not been conferred to the Committee as the administrator of such plan.

- b. The Committee shall administer any equity-based, long-term incentive or other compensation plan adopted by the Board or this Company's stockholders for which no other administrator is named by the Board, this Company's stockholders or the terms of such plan. As administrator of any such plan, the Committee may, without limitation:
  - (1) grant stock options, restricted stock units, performance-based restricted stock units, cash settled units, and other awards under any such plan; provided, however, that each grant shall satisfy all the applicable terms of the plan under which it is granted as in effect at the time of grant; and
  - (2) take any other action which, by the terms of the applicable plan, may be taken by the administrator of such plan.
- c. The Committee shall periodically review the other executive officer compensation plans of the Company in light of Company and plan objectives, needs, and current benefit levels and benefit.
- d. Company personnel will be responsible for the routine day-to-day administration of the Company's compensation programs and benefit plans, including preparation and filing of all government reports and preparation of materials for employees.
- e. The Committee shall periodically assess whether any risks arising from the compensation policies and practices of the Company, including those of its subsidiaries, are reasonably likely to have a material adverse effect on the Company and the steps management has taken, or should consider taking, to monitor or mitigate such risks.

#### **4. Non-Employee Directors**

The Committee shall from time to time review and make recommendations to the Board with respect to compensation for the non-employee members of the Board.

#### **5. General**

- a. The Committee will annually (i) review and reassess the adequacy of the Committee's Charter and recommend any proposed changes to the Board for approval and (ii) conduct a self-assessment of the Committee's operations and provide a report of the assessment to the Nominating and Governance Committee of the Board.
- b. The Committee will perform such other activities that are consistent with this Charter, the Company's Bylaws and governing laws, as the Committee or the Board deems necessary or appropriate.