



# Digimarc Corporation Compensation and Talent Management Committee Charter

The Board of Directors (the "Board") of Digimarc Corporation (the "Company") has delegated to the Compensation and Talent Management Committee (the "Committee") responsibility for overseeing the compensation practices of the Company and the recruitment, management, development, retention and incentives of talent personnel for the Company, and such other duties and functions as directed by the Board from time to time or as are consistent with this charter, the Company's Bylaws, as amended from time to time, and governing law, rules and regulations. The Committee's role includes a particular focus on the compensation of executive officers and non-employee directors of the Company and the administration of the incentive and equity compensation plans and significant employee benefit programs of the Company. It also oversees human capital management and diversity and inclusion programs, in coordination with the Audit Committee and the Governance, Nominating and Sustainability Committee.

Delegation by the Board of responsibilities to the Committee shall not exclude the Board from any action permitted to be taken by the Board under governing law, rules or regulations applicable to the Company.

## **MEMBERSHIP**

The membership of the Committee shall consist of at least two directors who are "independent", as such term is defined by the Nasdaq rules, and who are well versed in executive compensation and incentive programs. Each member of the Committee shall be (i) "a Non-employee Director" for purposes of Rule 16b-3 under the Securities and Exchange Act of 1934; and (ii) an "outside director" for purposes of Section 162(m) of the Internal Revenue Code. Each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment in carrying out the responsibilities of a member of this Committee. Applicable laws and regulations shall be followed in evaluating a member's independence. Each member of the Committee, as well as the chairperson of the Committee, shall be appointed and may be removed by a majority of the members of the Board.

## **COMMUNICATIONS/REPORTING**

The Committee is expected to maintain free and open communication with the management and legal personnel of the Company. This communication shall include, at the discretion of the Committee, regularly scheduled private executive sessions with such personnel. The Committee chairperson shall report on Committee activities to the full Board. Any compensation or other expert firms retained by the Committee shall report directly to the Committee.

## **EDUCATION**

The Company is responsible for providing the Committee with resources related to compensation programs and incentive programs, and other material that may be requested by the Committee. The Company shall assist the Committee in obtaining appropriate compensation information.



## **AUTHORITY AND FUNDING**

In discharging its oversight role, the Committee is empowered to conduct or authorize investigations of any matter within its delegated authority brought to its attention and the Committee has the authority to engage counsel or other advisors, as it determines necessary to carry out its duties. The Committee is empowered to cause the Company to pay the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

## **RESPONSIBILITIES**

The Committee's specific responsibilities are delineated below:

1. To review and determine, at least annually, the compensation for the Chief Executive Officer ("CEO") and other executive officers of the Company, to assure that they are compensated and motivated effectively in a manner consistent with the Company's business objectives, competitive practices and trends, the requirements of appropriate regulatory bodies, the compensation strategy of the Company, and fiduciary and corporate responsibilities, including internal equity considerations. The CEO may not be present during voting or deliberations by the Committee on the CEO's compensation.
2. To grant such equity compensation as it deems appropriate under the Company's various stock incentive and other benefit or equity plans for purposes of retaining key employees and rewarding performance.
3. To review and recommend to the Board appropriate levels of cash and equity compensation for service on the Board.
4. To review and discuss with management the annual Compensation Discussion and Analysis disclosure regarding named executive officer compensation and, based on this review and discussions, recommend whether the Company should include the Compensation Discussion and Analysis in the Company's annual report on Form 10-K and the proxy statement for its annual meeting.
5. To create and approve an annual Compensation Committee Report to be included in the Company's annual report on Form 10-K and the proxy statement for its annual meeting.
6. To review and approve for the Company's executive officers employment agreements, severance agreements and change of control agreements/provisions, in each case as, when and if appropriate.
7. To review management's risk assessment of compensation policies and practices.
8. To review and oversee the Company's human capital management; pay equity initiatives; diversity and inclusion (D&I) programs; policies, programs and processes relating to talent management; retirement plans; and similar policies and programs.



9. To provide oversight of an effective shareholder outreach program, in coordination with the Audit Committee and the Governance, Nominating and Sustainability Committee, and participate in outreach to shareholders as appropriate.

10. To coordinate with the Audit Committee and the Governance, Nominating and Sustainability Committee on matters such as stock ownership guidelines, succession planning, compensation recoupment or claw-back provisions, pay equity, and similar policies and programs.

11. To review, propose revisions to, and ensure the accuracy and completeness of the committee report, the Compensation Discussion and Analysis, and the say-on-pay materials in the proxy; report to the Board on the results of the voting on these matters; and consider the implications of and possible improvements to the program for subsequent years.

In carrying out the purposes set forth above, the Committee may, among other things, take the following actions, to the extent not otherwise required under applicable law, rules or regulations:

1. Review annually and approve the Company's compensation strategy to assure that executive officers and key personnel are rewarded appropriately for the contributions to the Company's growth and profitability, and that the executive compensation strategy supports Company objectives.
2. Review and approve annually the corporate goals and objectives relevant to the Compensation of the CEO, evaluate the CEO's performance in light of those goals and objectives, and provide a report thereon to the Board. In determining long-term incentive compensation of the CEO, the Committee will consider, among other factors, the Company's performance, relative stockholder return, the value of similar incentive rewards to CEOs at comparable companies, and the awards given to the CEO in prior years.
3. Determine the individual elements of total compensation for the CEO and other executive officers as the Committee determines to be appropriate.
4. Assure that the bonus program for senior executives is administered in a manner consistent with the Company's compensation strategy and the program's terms with respect to participation levels, targeted annual incentive awards, performance goals, and actual awards paid to participants.
5. Review, propose, recommend, oversee and, to the extent authorized, administer all equity-related incentive plans and bonus plans.
6. Annually report to the Board on share usage, dilution, and proxy disclosures. Annually review with management employee compensation strategies, benefits, and equity programs.
7. Review and recommend to the Board the cash and equity compensation for members of the Board.



8. Review and discuss with management the annual Compensation Discussion and Analysis disclosure regarding named executive officer compensation and, based on this review and discussions, recommend whether the Company should include the Compensation Discussion and Analysis in the Company's annual report on Form 10-K and the proxy statement for its annual meeting.
9. Create and approve an annual Compensation Committee Report to be included in the Company's annual report on Form 10-K and the proxy statement for its annual meeting.
10. In consultation with and based on advice of counsel, as needed, monitor other disclosures regarding compensation in the Company's proxy statement.
11. Review executive compensation for compliance with Section 16 of the Securities Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code, as each may be amended from time to time, and any other applicable law, rules, and regulations.
12. Review employment and severance agreements involving executive officers, as well as any CIC plans or severance and retirement plans.
13. In consultation with the CEO and Human Resources, review the talent development process within the Company to assure that it is effectively managed. Senior management will provide a report to the Committee regarding its review process and plans for retention and advancement of high potential individuals to assure that there is a sufficient pool of qualified internal candidates to fill senior and leadership positions, and to ensure that there is a succession planning process implemented within the Company.
14. Periodically review the adequacy of the charter adopted for the Committee by the Board and recommend changes of the charter to the Board as necessary.
15. Annually review the Committee's performance and report to the Board on the results of this assessment.
16. Meet on a regular basis (at least quarterly or on a more frequent basis as appropriate) and report to the Board on the Committee's activities.
17. In its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel, proxy solicitation advisor, or other adviser (each a "Compensation Adviser").
18. Be directly responsible for the appointment, compensation and oversight of the work of any Compensation Adviser retained by the Committee.
19. Be provided by the Company with appropriate funding, as determined by the Committee, for payment of reasonable compensation to a Compensation Adviser retained by the Committee and all other necessary and appropriate expenses.
20. Select, or receive advice from, a Compensation Adviser, only after taking into consideration the following:



- The provision of other services to the Company by the person that employs the Compensation Adviser;
- The amount of fees received from the Company by the person that employs the Compensation Adviser, as a percentage of the total revenue of the person that employs the Compensation Adviser;
- The policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest;
- Any business or personal relationship of the Compensation Adviser with a member of the Committee;
- Any stock of the Company owned by the Compensation Adviser; and
- Any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with any Executive Officer of the Company.

21. Delegate responsibilities to subcommittees of the Committee as necessary and appropriate.

The Committee relies on the expertise and knowledge of management of the Company and compensation experts in carrying out its oversight responsibilities. Management of the Company is responsible to present complete and accurate information to the Committee. It is not the duty of the Committee to assure compliance with laws and regulations or the Company's internal policies, procedures, and controls.

The Board and the Committee are in place to represent the Company's shareholders.

Adopted: July 30, 2008, amended February 22, 2011; July 25, 2013; and February 28, 2022