

# **GSI TECHNOLOGY, INC.**

## **CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS**

**(As amended on June 16, 2020)**

### **I. STATEMENT OF POLICY**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of GSI Technology, Inc. (the “Company”) has the responsibility and authority to supervise and review the affairs of the Company as they relate to the compensation and benefits of executive officers of the Company. In carrying out these responsibilities, the Committee shall review all components of executive compensation for consistency with the Company’s compensation philosophy, as in effect from time to time, and with the interests of the Company’s stockholders.

The Committee is also responsible for producing an annual report on executive compensation, including a Compensation Discussion and Analysis, for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) and approving grants under the Company’s equity incentive plans.

### **II. COMPOSITION AND MEMBERSHIP REQUIREMENTS**

The Committee shall be comprised of at least two Board members, each of whom shall be “independent” under the rules of The Nasdaq Stock Market (“Nasdaq”), any corporate governance guidelines of the Company that may be in effect from time to time, and applicable law. In addition, no director may serve on the Committee unless he or she is a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. A Board member shall not serve on the Committee if any executive officer of the Company serves on the board of directors of an entity that employs such Board member as an executive officer.

### **III. ORGANIZATION AND OPERATION**

The members of the Committee shall be appointed by the Board and shall serve until their successors are duly elected and qualified or until their earlier resignation, removal or death. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

Unless a Committee Chair is elected by the Board, the members of the Committee shall designate a Chair by majority vote of the full Committee. The Chair shall preside at all regular sessions of the Committee and set the agenda for each Committee meeting.

In fulfilling its responsibilities, the Committee shall, to the extent permitted by law, be entitled to delegate any or all of its responsibilities to one or more subcommittees of the Committee comprised of one or more members of the Committee.

#### **IV. MEETINGS AND COMMITTEE ACTION**

The Committee shall meet as often as it deems appropriate to fulfill its responsibilities hereunder, but not less frequently than four times each year. Meetings may be called by the Chairperson of the Board or of the Committee. The Committee may request that any employee of the Company attend any of its meetings or meet with any Committee member or any consultant or advisor to the Committee. The Committee shall meet at least annually with the Company's chief executive officer and such other senior executives of the Company as the Committee deems appropriate; provided, however, that the chief executive officer may not be present during deliberations or voting regarding his or her compensation. The Committee shall meet periodically in executive session without the presence of management.

Formal action to be taken by the Committee shall be by the affirmative vote of a majority of the Committee members present (in person, by conference telephone or other communications equipment by means of which all persons participating can hear each other, and participation by such means shall constitute presence in person) at a meeting at which a quorum is present or by unanimous written consent. A quorum shall consist of at least a majority of the members of the Committee. Any actions taken by the Committee during any period in which one or more of the members fail for any reason to meet the membership requirements set forth above shall nonetheless constitute duly authorized actions of the Committee for all corporate purposes. The Committee shall make and retain minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

#### **V. AUTHORITY AND RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities, subject to such modification and additional authority as the Board may approve from time to time:

- Periodically review and advise the Board concerning the Company's overall compensation philosophy, policies and plans, including a review of both regional and industry compensation practices and trends.
- Identify any peer group of companies to be used for comparison purposes in connection with any review of executive officer compensation.
- Determine and approve all compensation for the Chief Executive Officer, including salary, incentive-based and equity-based compensation and awards, benefits and perquisites.
- Determine and approve all compensation for the Company's executive officers other than the Chief Executive Officer, including salary, incentive-based and equity-based compensation and awards, benefits and perquisites, taking into account recommendations of the Chief Executive Officer.
- Review and approve all performance goals and objectives relevant to the compensation of all executive officers and assess the achievement of such goals and objectives.

- Make recommendations to the Board regarding the establishment and terms of the Company's incentive compensation plans and administer such plans.
- Approve grants of options and other equity awards to all executive officers and other eligible individuals under the Company's equity compensation plans, subject to and in accordance with the terms of such plans and such procedures or guidelines with respect to the grant of equity awards as may be adopted from time to time by the Board.
- Approve all employment, severance or change-in-control plans or arrangements applicable to executive officers and all material amendments thereto.
- Review and discuss with management the risks arising from the Company's compensation philosophy and practices applicable to all employees to determine whether they encourage excessive risk-taking and to evaluate compensation policies and practices that could mitigate such risks.
- Prepare an annual report on executive compensation, including a Compensation Discussion and Analysis, for inclusion in the Company's proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations of the SEC.
- Oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the NASDAQ rules that, with limited exceptions, shareholders approve equity compensation plans.
- Perform such other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee deems necessary or as the Board may direct.
- Report to the Board on the Committee's activities on a regular basis.

## **VI. RESOURCES AND AUTHORITY**

The Committee shall have the authority to obtain such advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder. Without limiting the generality of the foregoing, the Committee shall have sole authority to retain and terminate any consulting firm or other advisor used to assist the Committee in the performance of its duties and to determine and approve the terms, fees and costs for such engagements. Prior to selecting, or receiving advice from, any advisor, the Committee shall consider the independence of such advisor based on any applicable criteria specified by the SEC or Nasdaq, including the independence factors listed in Nasdaq Rule 5605(d)(3); provided, however, that the Committee shall not be prohibited from obtaining advice from advisors that it determines are not independent. The fees and costs of any consultant or

advisor engaged by the Committee to assist it in performing its duties hereunder shall be borne by the Company.

## **VII. PERIODIC REVIEW**

The Committee shall periodically review (i) this Charter and the scope of responsibilities of this Committee; and (ii) the Committee's performance of its duties. Any proposed changes to this Charter or the Committee's scope of responsibilities, where indicated, shall be referred to the Board for appropriate action.