

**SEMTECH CORPORATION
COMPENSATION COMMITTEE CHARTER**

A. Purpose

The Board of Directors (“Board”) of Semtech Corporation (the “Company”) has established, in accordance with the Company’s Bylaws, a Compensation Committee (“Committee”) whose authority and responsibilities are described by this Charter.

The purpose of the Committee is to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers, and to carry out the other responsibilities set forth in this Charter.

B. Size, Composition and Term of Appointment

1. The Committee is a committee of the Board and shall be made up entirely of outside non-employee directors who are independent of management, as defined by the relevant SEC and Nasdaq Stock Market (“Nasdaq”) rules, including rules regarding compensation committee interlocks, receipt of compensatory fees, and affiliations with the Company, and who qualify as outside directors under Internal Revenue Code Section 162(m).
2. The Committee shall consist of no fewer than three independent directors.
3. The Board shall annually appoint the Committee’s Chair and members and as part of that process shall determine whether each member is independent.
4. The Committee may form and delegate some or all of its authority to subcommittees (comprised of no less than two members) when it deems appropriate.

C. Meetings

1. The Committee will meet on a quarterly basis and special meetings may be called by the Committee’s Chair or upon the request of any two Committee members when circumstances require.
2. Minutes of Committee meetings will be prepared and distributed to Committee members and approved at subsequent meetings. Final minutes of all Committee Meetings shall be sent to the Secretary of the Company for safekeeping with 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/Oversight by the Board of Directors

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 on a periodic basis so that the Board is kept informed of its activities. The Committee will perform the duties delegated to it by the Board.
3. The Committee is authorized to have full and unrestricted access to all personnel, records, operations, properties, and other information and resources of the Company as required to discharge its duties and responsibilities properly. The Committee has the authority to direct and supervise an investigation into any matter within the scope of its duties.

E. Outside Advisors/Funding

1. The Committee has the authority to engage independent counsel, compensation and other consultants and other advisors as it deems necessary 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 SEC and Nasdaq rules. 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. The Company shall 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

1. Compensation Philosophy

- a. The Committee shall 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 review and evaluate the Company's compensation policies and practices, endeavoring to ensure that high levels of individual performance are

recognized and rewarded and that the compensation of employees is consistent with the levels of compensation of comparable companies, 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 all employees covered in SEC Rule 16a-1(f). That is, those employees who have been determined by the Board to be subject to Section 16 of the Securities Exchange Act of 1934, as amended.
- d. Each year the Committee shall review the Company's annual Compensation Discussion and Analysis 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 Compensation Discussion and Analysis be included in that proxy statement or annual report.
- e. The Committee shall from time to time review the management development programs and succession plans presented by the Chief Executive Officer and VP HR.

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, Company incentive compensation plans and equity-based compensation plans.
- 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 options 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. Except as otherwise determined by the Board, the Committee shall periodically review the other 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 incentive compensation programs and benefit plans, including preparation and filing of all government reports and preparation of materials for employees.
 - e. The Committee shall, at least annually, 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.

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 (ii) conduct a self-assessment of the Committee's operations and provide a report of the assessment to 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.