



# CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

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## PURPOSE

The purpose of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of NVIDIA Corporation, a Delaware corporation (the “*Company*”), shall be to act on behalf of the Board in (i) determining and approving the compensation of the Company’s Chief Executive Officer, (ii) reviewing and approving compensation for the Company’s other executive officers and other senior management and reviewing and recommending to the Board compensation for the Company’s independent directors, (iii) fulfilling the Board’s oversight responsibilities with respect to the Company’s overall compensation policies, plans and programs, and (iv) performing other activities related to the Company’s compensation plans and structure. The term “compensation” shall include salary, long-term incentives, variable compensation, perquisites, equity incentives, severance arrangements and employee benefit plans, including but not limited to retirement/401(k), health, welfare, disability, deferred compensation plans and any other rights or compensation received under the Company’s compensation and employee benefit plans.

## COMPOSITION AND MEETINGS

**A. Composition.** The Committee shall be comprised of at least two (2) members of the Board. Each member of the Committee shall satisfy (i) the independence requirements of The Nasdaq Stock Market LLC (“*Nasdaq*”) applicable to compensation committees and members, as in effect from time to time, when and as required by Nasdaq and be free from any relationship that would interfere with the exercise of his or her independent judgment, as determined by the Board, (ii) the “non-employee director” standard within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934 (the “*Exchange Act*”), and (iii) the “outside director” standard within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (or any successor to Section 162(m) as in effect from time to time) and income tax regulations promulgated thereunder as in effect from time to time. Each member of the Committee will also meet any other requirements imposed by other applicable laws. The members of the Committee and the Committee’s Chairperson shall be appointed by the Board, on the recommendation of the Nominating and Corporate Governance Committee, and serve at the discretion of the Board. Vacancies occurring on the Committee shall be filled by the Board.

**B. Meetings.** The Committee will hold such regular and special meetings as its members deem necessary or appropriate. Each independent director may attend any meeting of the Committee, except for portions of the meetings where his or her presence would be inappropriate, as determined by the Committee. The Chief Executive Officer may attend at the invitation of the Committee.

**C. Minutes and Reports.** Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee and members of the Board who are not members of the Committee. The Chairperson of the Committee shall report to the Board from time to time, or whenever so requested by the Board.

## AUTHORITY

The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder, including human resources personnel preparing the Compensation Discussion and Analysis (“*CD&A*”) for use in the Company’s annual reports on Form 10-K, registration statements, proxy statements or information statements for the Company reports to be filed with the United States Securities and Exchange Commission (the “*SEC*”). The Committee shall have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. In addition, the Committee shall have authority to retain and terminate any compensation consultant to assist in the evaluation of director, executive officer or senior management compensation, including authority to approve such reasonable consultant’s fees and other retention terms, all at the Company’s expense. Such compensation consultants, independent legal counsel or other advisors and consultants shall

report directly, and be accountable, to the Committee. The Committee shall recommend to the Board for its approval expenditures for external resources that are expected to be material and outside the ordinary course of the Committee's practices.

The Committee may form and delegate authority to subcommittees as appropriate, including, but not limited to, a subcommittee composed of one or more members of the Committee to grant stock awards under the Company's equity incentive plans to persons who are not then subject to Section 16 of the Exchange Act. Pursuant to Section 157(c) of the Delaware General Corporation Law, the Committee may delegate the authority, separate from but concurrent with the authority held by the Committee, to an officer or group of officers to grant equity to eligible employees who are not then subject to Section 16 of the Exchange Act pursuant to the Company's equity incentive plans.

Before engaging, or receiving advice from, a compensation consultant, external legal counsel or any other advisor, the Committee shall consider the independence of each such advisor by taking into account the following factors and any other factors required by Nasdaq or the SEC and corresponding rules that may be amended from time to time, including any exceptions permitted by such rules:

1. the provision of other services to the Company by the employer of the compensation consultant, counsel or other advisor (the "**Advisory Firm**");
2. the amount of fees received from the Company by the Advisory Firm, as a percentage of the Advisory Firm's total revenue;
3. the Advisory Firm's policies and procedures that are designed to prevent conflicts of interest;
4. any business or personal relationship of the compensation consultant, counsel or other advisor with a member of the Committee;
5. any stock of the Company owned by the compensation consultant, counsel or other advisor; and
6. any business or personal relationship between an executive officer of the Company and the compensation consultant, counsel, other advisor or the Advisory Firm.

The Committee shall review and discuss with management any conflicts of interest raised by the work of a compensation consultant or advisor retained by the Committee or management and how such conflict is being addressed, and prepare any necessary disclosure in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.

The operation of the Committee shall be subject to the Bylaws of the Company as in effect from time to time and Section 141 of the Delaware General Corporation Law. Any action by the Board with respect to any of the matters set forth herein shall not be deemed to limit or restrict the authority of the Committee to act under this Charter, unless the Board specifically limits such authority.

#### RESPONSIBILITIES

The Committee's procedures should remain flexible to address changing circumstances most effectively. Accordingly, the Committee may supplement and, except as otherwise required by applicable law or the requirements of Nasdaq, deviate from these activities as appropriate under the circumstances:

1. **CEO Compensation.** The Committee shall review, modify (as needed) and approve, in its sole discretion, the salary, variable compensation, equity compensation and any other compensation and terms of employment of the Company's Chief Executive Officer. In determining the compensation of the Chief Executive Officer, the Committee shall consider the Company's short-term and long-term performance goals and metrics to measure achievement of such goals, in light of the Committee's determination of the appropriate means of retaining and motivating the Chief Executive Officer. The Committee should also consider the Company's performance and relative stockholder return, the value of similar incentive awards given to chief executive officers of comparable companies and awards given to the Company's Chief Executive Officer in past years. The Chief Executive Officer may not be present during the voting or deliberations regarding his compensation.

**2. Compensation of Other Executive Officers and Other Senior Management.** The Committee shall review, modify (as needed) and approve the salary levels, variable compensation plans, and structures and payments thereunder and other forms of compensation policies, plans and programs for other executive officers and other senior management of the Company, as appropriate, including:

a. reviewing and approving corporate performance goals, the structure and method for determining the terms of overall executive variable compensation or other compensatory plans, method of determination of individual goals for executives and other senior management thereunder, and payment of individual executive variable compensation to the extent such variable compensation contains a discretionary component; and

b. reviewing national and industry-wide executive compensation practices and trends to assess the adequacy and competitiveness of the Company's executive compensation programs among comparable companies as well as the appropriateness of such programs.

**3. Risk Management.** The Committee shall review the Company's practices and policies of employee compensation as they relate to risk management and risk-taking incentives, to determine whether such compensation policies and practices are reasonably likely to have a material adverse effect on the Company.

**4. Say on Pay.** The Committee shall review and consider the results of any advisory vote on executive compensation.

**5. Overall Company Compensation.** The Committee shall review, modify (as needed) and approve the Company's overall compensation plans and structure, including reviewing the Company's overall compensation philosophy, evaluating and approving the compensation plans and programs for the Company, modifying or terminating existing plans and programs, and reviewing and establishing equity and variable compensation programs.

**6. Independent Director Compensation.** The Committee shall review and recommend to the Board the compensation for independent Board members, including any retainer, committee and committee chair fees and/or equity compensation. Such recommendation shall take into account national and industry-wide compensation practices and trends and a comparison of the Company's compensation programs among comparable companies as well as the appropriateness of such programs in light of corporate governance standards and the Committee's determination of the appropriate method of motivating independent Board members.

**7. Administration of Benefit Plans.** The Committee shall have full power and authority to administer the Company's stock option plans, stock appreciation rights plans, stock purchase plans, variable compensation plans, including the adoption, amendment and termination of such plans and any sub-plans thereof, putting forth such plans or amendments before the Company's stockholders for approval, approving any SEC filings needed in order to register the shares under any such plans, establishing guidelines, interpreting plan documents, selecting participants, approving grants and awards, and exercising such other power and authority as may be permitted or required under such plans. The Committee shall monitor total equity usage for compensation regarding appropriate equity dilution levels. The Committee shall have full power and authority to provide oversight of the employee benefit plans subject to ERISA, including but not limited to retirement/401(k), deferred compensation plans, health, welfare, and disability plans and to delegate its legal obligations with respect to the employee benefit plans subject to ERISA to subcommittees, officers or employees of the Company as permitted by the terms as such plans and applicable law. Notwithstanding the foregoing, the Board shall retain the right to act on all such matters without limiting the Committee's authority.

**8. Compensation Discussion and Analysis.** The Committee shall review and discuss with management the Company's disclosures contained under the caption "Compensation Discussion and Analysis" and make recommendations to the Board that the CD&A be approved for inclusion in the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements.

**9. Committee Report.** The Committee shall prepare and review the Committee report on executive compensation to be included in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.

**10. Committee Self-Assessment and Charter.** The Committee shall review, discuss and assess at least annually its own performance as well as the Committee's role and responsibilities as outlined in this Charter.

The Committee shall also review and reassess annually the adequacy of this Charter and shall submit any suggested changes to the Charter to the Board for its consideration.

**11. Compensation Proposals.** The Committee shall provide recommendations to the Board on compensation-related proposals to be considered at the Company's annual meeting, including the frequency of advisory votes on executive compensation.

**12. Other Duties.** The Committee shall perform such other functions and have such other powers as may be necessary or convenient in the efficient discharge of the foregoing.