

# Compensation Committee Charter

**Daktronics, Inc.**  
**Board of Directors**  
**Compensation Committee Charter**  
**As amended and restated effective September 2023**

## 1. Purposes.

The primary purposes of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Daktronics, Inc. (the "Company") are to (i) discharge the responsibilities of the Board relating to the compensation of the Company's executive officers and directors; (ii) oversee the administration of the Company's executive compensation plans; (iii) evaluate the performance of the Company's executive officers; (iv) oversee the Company's policies and practices related to talent management and development for executive officers and senior management, including with respect to succession planning, any applicable employee engagement and workforce diversity, equity and inclusion programs; and (v) ensure timely preparation of and approve the annual report of the Committee on executive compensation required under Securities and Exchange Commission (the "SEC") rules for inclusion in the Company's annual proxy statement.

## 2. Composition.

- (a) Membership. The Committee shall be comprised of at least three directors. The Board will designate a Committee member as the chair of the Committee, or, if the Board does not do so, the Committee members will appoint a Committee member as chair.
- (b) Independence. Each of the members shall be independent as determined by the Board in accordance with requirements of the NASDAQ Stock Market LLC ("NASDAQ") and any listing rules thereof, as they may be amended or supplemented from time to time (the "Listing Rules"). [One director who is not "independent" as defined by the listing requirements of the NASDAQ, and is not a current officer or employee or an immediate family member of such person, may be appointed to the Committee if the Board, under exceptional and limited circumstances, determines that membership on the Committee by such individual is in the best interests of the shareholders, and the Board discloses the nature and reasons for this determination in the next proxy statement or its next annual report on Form 10-K.] In addition, at least two Committee members must qualify as "non-employee directors" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act.")
- (c) Appointment. Subject to the requirements of the Listing Rules, the Board may appoint and remove Committee members in accordance with the Company's Bylaws. Committee members will serve for such terms as may be fixed by the Board, and in any case at the will of the Board whether or not a specific term is fixed.

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## 3. **Responsibilities.** The Committee will:

- (a) Establish and review at least annually the overall corporate policies, goals (including achievement thereof) and objectives for the compensation of the Company's Chief Executive Officer and other executive officers, including a review of the general philosophy and relationship of executive compensation to corporate performance and relative shareholder return. For purposes of this charter, "executive officers" means the individuals classified by the Company as officers for purposes of the rules of the SEC under Section 16 of the Exchange Act.
- (b) Evaluate at least annually the performance of the Company's Chief Executive Officer and review the Chief Executive Officer's evaluation of the other executive officers in light of the corporate goals and objectives, and, based on that evaluation, determine the compensation of the Chief Executive Officer and other executive officers, including individual elements of salary, bonus, incentive, equity compensation and benefit programs. In any deliberations to determine the compensation of executive officers other than the Chief Executive Officer, the Committee may invite the Chief Executive Officer to be present but not vote. The Committee shall present the Committee's findings regarding compensation of the executive officers to the Company's non-employee directors to obtain their input and ratification.
- (c) Review and approve, subject to ratification by the Board's non-employee directors, all employment agreements, separation and severance agreements, and other compensatory contracts, arrangements, perquisites and payments for the executive officers.
- (d) Assist the Board in leadership development and succession planning for the executive officers and other appropriate management personnel, and periodically review the succession plans and leadership development programs for the executive officer positions.
- (e) Recommend to the Board compensation programs for non-employee directors, Board committee chairs, and Board committee members, consistent with any applicable requirements of the Listing Rules for independent directors and including consideration of cash and equity components of this compensation.
- (f) Recommend to the Board equity awards and other discretionary awards under the Company's stock option and other equity incentive plans, and otherwise exercise the authority of the Board with respect to the administration of the Company's stock-based and other incentive compensation plans. The Committee may delegate to one or more officers designated by the Committee the authority to make grants of equity awards to eligible individuals other than directors and executive officers, provided that the Committee must have fixed terms for each grant, including such terms as the vesting schedule, approved the form of documentation evidencing each grant, and

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determined the number of shares or the basis for determining such number of shares by position, compensation level or category of personnel. Any officer to whom such authority is delegated will regularly report to the Committee the grants so made.

- (g) Periodically review and (i) make recommendations to the Board concerning the Company's equity and incentive compensation plans; (ii) approve performance goals and objectives, threshold and maximum awards and maximum aggregate funding for the Company's short-term incentive compensation plans; and (iii) approve and oversee all equity award granting practices under the long-term incentive compensation plans, including reviewing and approving performance goals and objectives, threshold and maximum awards and maximum aggregate funding for plans or programs in which payouts depend on performance versus predetermined targets. The Committee will approve all equity arrangements and plans, and amendments to these arrangements or plans, that may be exempt from the general requirement of the Listing Rules to obtain shareholder approval of these matters, or for which approval by the Committee is otherwise appropriate or required under applicable laws or the Listing Rules.
- (h) Review the Company's incentive compensation arrangements to determine whether they encourage appropriate risk-taking, and review and discuss at least annually the relationship between risk management policies and practices and compensation and evaluate compensation policies and practices that would encourage the appropriate amount of risk.
- (i) Review and recommend to the Board for approval the frequency with which the Company will conduct shareholder advisory votes on executive compensation as required by Section 14A of the Exchange Act, taking into account the results of the most recent shareholder advisory vote on the frequency of shareholder advisory votes on executive compensation, and review and approve the proposals regarding the advisory votes on executive compensation and the frequency of such votes to be included in the Company's proxy statement.
- (j) Following each annual meeting of shareholders at which an advisory vote on executive compensation is taken, review the results of the advisory vote, and consider whether to make any adjustments to the Company's executive compensation policies and practices; and oversee management's engagement with shareholders and proxy advisory firms on executive compensation matters.
- (k) Review and discuss with the Company's management the section of the Company's annual proxy statement entitled "Compensation Discussion and Analysis" (CD&A) and, based on this review and analysis, determine whether or not to recommend to the Board the CD&A's inclusion in the Company's proxy statement in accordance with applicable rules and regulations; ensure timely preparation and approve the report of the Committee for inclusion in the Company's proxy statement for each annual

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meeting of shareholders, including information required under SEC rules; and review and discuss with the Company's management disclosures in the Company's annual proxy statement regarding advisory votes on executive compensation and the frequency of such votes.

- (l) Review and recommend to the Board for adoption a clawback policy that complies with applicable rules and regulations, including the rules and regulations of the SEC and the Listing Rules.
- (m) Periodically review and assess the Company's strategies, programs and policies related to human capital management and the attraction, development, and retention of talent, including policies related to the Company's philosophy, commitment and progress with respect to employee diversity, equity and inclusion.
- (n) Evaluate its own performance as a Committee and this charter on an annual basis.
- (o) Perform any other activities consistent with this charter, the Company's Bylaws and applicable Listing Rules and laws as the Committee or the Board considers appropriate.

## 4. Meetings, Reports and Resources of the Committee.

- (a) Meetings. The Committee will meet as often as necessary to carry out its responsibilities, but not less often than quarterly. The Committee may also hold special meetings or act by unanimous written consent as the Committee may decide consistent with the Company's Bylaws.
- (b) Executive Sessions. The Committee may meet as appropriate in separate executive sessions at which only other Committee members are present and in private sessions with other directors, other Company employees, advisors, agents or representatives invited by the Committee. The Chief Executive Officer of the Company may not be present during portions of meetings when the Committee is discussing his or her compensation.
- (c) Procedures. The Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this charter, the Company's bylaws and other corporate governance documents, applicable laws or regulations, or the Listing Rules. The Chief Executive Officer, the Committee's chairperson or a majority of the Committee members may call meetings of the Committee. A majority of the Committee members constitutes a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at a meeting at which a quorum is present will be the act of the Committee, unless in either case a greater number is required by this charter, the Company's Bylaws or the Listing Rules. The Committee will keep written minutes of its

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meetings and deliver copies of the minutes to the corporate secretary for inclusion in the corporate records.

- (d) Reports. The Committee will provide to the Board at an appropriate time prior to preparation of the Company's proxy statement for its annual meeting the report of the Committee which must be included in the proxy statement. The Committee will also report to the Board annually the results of an annual review by the Committee of its own performance. The Committee will also report to the Board on the major items covered by the Committee at each Committee meeting and provide additional reports to the Board as the Committee may determine to be appropriate.
- (e) Committee Access and Resources. The Committee is at all times authorized to have direct, independent, and confidential access to the Company's other directors, management, and personnel to carry out the Committee's purposes. The Committee shall, at the Company's expense and in the Committee's sole discretion, have authority to retain, terminate, and oversee the work of any advisor deemed necessary or advisable for purposes related to the Committee's duties and to approve the advisor's fees and other retention terms. To the extent required by the NASDAQ, the Committee will conduct an independence assessment, taking into consideration the factors set forth in such rules and any other factors the Committee deems relevant to the advisor's independence from management, prior to selecting or receiving advice from such advisor.

### Revision history

Adopted Feb 19, 2004

Amended & Restated May 28, 2009

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Non-material updates, February 2018

Amended & Restated September 2023