



**CARRIAGE SERVICES, INC.**  
**COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS - CHARTER**  
*(Revised and Effective February 19, 2025)*

**I. PURPOSE**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Carriage Services, Inc. (the “Company”) is to:

- determine and approve the compensation of the Company’s Chief Executive Officer (the “CEO”);
- in consultation with the CEO, approve the compensation of the Company’s other Section 16 officers as designated by the Board and defined by Rule 16a-1(f) of the Securities Exchange Act of 1934 (the Company’s “Section 16 Officers”);
- approve, or recommend to the Board that it approve, the Company’s incentive compensation and equity based plans;
- review and approve the compensation of the Company’s directors;
- prepare any report on executive compensation required by the rules and regulations of the Securities and Exchange Commission (the “SEC”); and
- perform such other functions as the Board may assign to the Committee from time to time.

**II. COMMITTEE MEMBERSHIP**

The Committee shall consist of no fewer than three independent members of the Board, with independence as defined by the New York Stock Exchange (the “NYSE”) and Section 952(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In addition, all members of the Committee shall be “Non-Employee Directors” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and “outside directors” for the purposes of Section 162(m) of the Internal Revenue Code. The members of the Committee and its Chair shall be selected annually by the Board on the recommendation of the Corporate Governance Committee and shall serve for such term or terms as the Board may determine, or until earlier resignation or death. Any vacancy may be filled and/or any Committee member may be removed by the affirmative vote of a majority of the Board.

**III. COMMITTEE AUTHORITY**

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. Specifically, the Committee shall have the authority to:

(1) In its sole discretion, retain, at the Company's sole cost, and determine funding for independent legal counsel as well as other experts and advisers, including the authority to retain, approve the fees payable to, amend the engagement with, and terminate, any compensation consultant to be used in the evaluation of compensation for the Company's directors, the CEO, and every other Section 16 Officer, as it deems necessary or appropriate to fulfill its responsibilities.

- i. Prior to any such engagement, the Committee shall analyze the relationships such consultants, counsel, or advisers have with members of the Committee, as well as with management and the Company as a whole. This analysis will include the specific factors that affect the independence of compensation advisers, as identified by the SEC and the NYSE.
- ii. The Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any compensation consultant, legal counsel, and other adviser retained by the Committee.

(2) Delegate to its Chair, any one of its members, or any subcommittee it may form, the responsibility and authority for any particular matter, as it deems appropriate from time to time under the circumstances. Each subcommittee shall keep minutes and regularly report to the Committee.

#### **IV. RESPONSIBILITIES**

The Committee shall have the following responsibilities:

(1) Executive Compensation

Annually, the Committee shall review, modify (if necessary), and approve the Company's data sources for purposes of evaluating the Company's compensation competitiveness and establishing the appropriate competitive positioning of the levels and mix of compensation elements.

Annually, the Committee shall review, modify (if necessary), and approve corporate goals and objectives relevant to the compensation of the CEO. The Committee shall also evaluate the CEO's performance in light of those goals and objectives. The Committee shall further determine and approve the CEO's compensation levels based on this evaluation.

In determining the long-term incentive component, if any, of the CEO's compensation, the Committee shall consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs

at comparable companies, and the awards given to the CEO in past years. The Committee is not precluded from approving awards (with or without ratification of the Board) as may be required to comply with applicable tax laws.

The Committee shall review the compensation of all other Section 16 Officers, including their compensation structure.

The Committee shall review and approve annually, for the CEO and, in consultation with the CEO, for the other Section 16 Officers:

- (a) the annual base salary;
- (b) the annual incentive opportunity;
- (c) the long-term incentive opportunity;
- (d) employment agreements, severance arrangements, and change in control agreements/provisions; and
- (e) any material special or supplemental benefits not generally available to all employees.

The Committee may approve any such arrangements for Section 16 Officers with or without full Board approval, as the Committee may determine.

The Committee shall review and discuss with the Company's management, the Compensation Discussion and Analysis ("CD&A") to be included in the Company's Proxy Statement, and, based on that review, determine whether to recommend to the Board that the CD&A be included in the Proxy Statement in accordance with applicable rules and regulations.

The Committee shall annually prepare a Compensation Committee Report as required by Item 407(e)(5) of Regulation S-K and publish the report in the Proxy Statement in accordance with applicable rules and regulations.

The Committee shall review and recommend to the Board how frequently the Company should permit its stockholders to have an advisory vote on executive compensation ("Say on Pay"), provided that Say on Pay votes occur at least once every three years and that, at least once every six years, stockholders vote on whether a Say on Pay vote should be held every one, two, or three years. This review should consider the historical results of stockholder advisory votes on the frequency of Say on Pay resolutions at the Company.

Following each stockholder meeting at which Say on Pay resolutions are proposed for a stockholder advisory vote, the Committee shall review the

results of the advisory vote, and consider whether to make any adjustments to the Company's executive compensation policies and practices.

(2) Incentive and Equity Compensation

The Committee shall review the Company's long-term incentive/equity-based plans and recommend changes to the Board as it deems appropriate. The Committee shall have all authority granted to a committee of the Board under the terms of any such plan with respect to the granting of awards thereunder, and to controlling, operating, managing, interpreting and the administration of such plans.

(3) Director Compensation

Annually, the Committee shall review, modify (if necessary), and approve the Company's data sources for purposes of evaluating the Company's directors' compensation competitiveness and establishing the appropriate competitive positioning of the levels and mix of compensation elements.

(4) Annual Reviews

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

The Committee shall review and evaluate its own performance and shall submit itself to a review and evaluation by the Board annually.

**V. PROCEDURES**

- A. *Meetings.* The Board shall designate a member of the Committee as the Chair. If a Chair is not designated by the Board or present at a meeting, the Committee may designate a Chair by majority vote of the Committee members then in office. The Committee shall meet with such frequency and at such intervals as it shall determine is necessary to carry out its duties and responsibilities, but shall meet at least once each year. Meetings of the Committee may be in person, by conference call or by unanimous written consent, in accordance with the Company's by-laws.

Meetings of the Committee shall be held at such time and place, and upon such notice, as its Chair may from time to time determine. Meetings may, at the discretion of the Committee, include non-independent directors, members of the Company's management, independent advisors and consultants, or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. Notwithstanding the foregoing, the Committee may also

exclude from its meetings any persons it deems appropriate, including, but not limited to, any director that is not a member of the Committee. The Committee shall keep such records of its meetings as it deems appropriate.

- B. *Quorum and Approval.* A majority of the Committee's members shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
- C. *Rules.* The Committee may determine additional rules and procedures, including designation of a Chair pro tempore in the absence of its Chair and designation of a secretary of the Committee at any meeting thereof.
- D. *Delegation.* The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.
- E. *Reports.* The Committee shall maintain minutes of its meetings and make regular oral or written reports to the Board, directly or through its Chair, of its actions and any recommendations to the Board.
- F. *Fees; Reimbursement of Expenses.* Each member of the Committee, as well as the Chair, shall be paid the fee set by the Board for his or her services as a member, or Chair, as the case may be, of the Committee. Subject to the Company's Corporate Governance Guidelines and other policies, Committee members, including the Chair, will be reimbursed by the Company for all reasonable expenses incurred in connection with their duties as Committee members or as Chair.
- E. *Review.* The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review the Committee's own performance and shall submit itself to a review and evaluation by the Board.

## **VI. POSTING REQUIREMENT**

The Company shall make this Charter available on or through the Company's website as required by applicable rules and regulations. In addition, the Company shall disclose in its Proxy Statement that a copy of this Charter is available on the Company's website and provide the website address.

While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.