

## **SeaSpine Holdings Corporation**

### **Compensation Committee Charter**

This Compensation Committee Charter was adopted by the Board of Directors (the "Board") of SeaSpine Holdings Corporation (the "Company") effective as of June 7, 2016.

#### **I. Purpose**

The purpose of the Compensation Committee (the "Committee") of the Board is to discharge the Board's responsibilities relating to compensation of the Company's executives and non-employee directors and administration of the Company's equity-based compensation plans. The Committee shall ensure that compensation programs are designed with an appropriate balance of risk and reward in relation to the Company's overall business strategy and do not encourage excessive or unnecessary risk-taking behavior. In addition, the Committee shall ensure that such programs encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company's stockholders.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company's bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate, without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee's sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

#### **II. Membership**

The Committee shall consist of at least two directors as determined by the Board, each of whom shall (a) satisfy the compensation committee independence requirements of the NASDAQ Global Market (or such other national securities exchange or inter-dealer quotation system on which the Company's common stock then is principally listed), subject to any applicable exemptions, (b) be a "Non-Employee Director" within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and (c) be an "outside director" under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code").

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

#### **III. Meetings and Procedures**

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet at least two times per year and more frequently as the Committee deems necessary or desirable.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management or any other person whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Chief Executive Officer may not be present during voting or deliberations concerning his or her compensation, and the Committee may exclude from its meetings any persons it deems appropriate, including, but not limited to, any non-management director who is not a member of the Committee.

The Committee may retain and/or replace any independent counsel, compensation and benefits consultants and other outside experts or advisers that the Committee believes to be necessary or appropriate, provided that preceding any such retention or advice, the Committee shall take into consideration the applicable factors under Section 13, below. The Committee may also utilize the services of the Company's regular legal counsel or other advisers to the Company. The Committee will be directly responsible for the appointment, compensation and oversight of any adviser it retains. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any such persons retained by the Committee and for other expenses of the Committee that are necessary or appropriate in carrying out its duties. The Chair shall report to the Board following meetings of the Committee and as otherwise requested by the Chair of the Board.

#### **IV. Duties and Responsibilities**

1. The Committee has authority to establish and review the overall compensation strategy, philosophy and practices of the Company and to administer plans and arrangements established pursuant thereto. It is expected that the Committee may delegate its authority on these matters with respect to the Company's non-officer employees to the Company's executive officers and other appropriate Company personnel.
2. The Committee has authority to determine the amount, form and terms of compensation of the Company's Chief Executive Officer and its other executive officers and to take such action, and to direct the Company to take such action, as it deems necessary or advisable to compensate the Company's Chief Executive Officer and its other executive officers in a manner consistent with its determinations.
3. The Committee shall, at least annually, (i) review and approve the amount, form and terms of compensation of the Company's Chief Executive Officer, including corporate goals and objectives, (ii) evaluate the performance of the Chief Executive Officer, including in light of those goals and objectives and (iii) determine and approve the amount, form and terms of compensation of the Chief Executive Officer based on such evaluation.
4. The Committee shall, at least annually, review and approve the amount, form and terms of compensation for (a) all other executive officers and (b) other employees of the Company or its subsidiaries with a base salary greater than or equal to \$300,000 per annum.
5. The Committee shall review and approve (or make recommendations to the Board regarding) all agreements related to the amount, form and terms of compensation of all executive officers, including any severance arrangements.

6. The Committee has authority to administer the Company's equity compensation plans, including (without limitation) to recommend the adoption of such plans, to recommend the reservation of shares for issuance thereunder, to amend and interpret such plans and the awards and agreements issued pursuant thereto, and to make awards to eligible persons under such plans and determine the terms of such awards.
7. The Committee has authority to establish and periodically review the need for and terms of policies concerning perquisite benefits.
8. The Committee has authority to establish and periodically review the need for and terms of policies regarding compensation paid to the executive officers in excess of limits deductible under Section 162(m) of the Code.
9. The Committee has authority to establish and periodically review the need for and terms of policies with respect to executive officer stock ownership guidelines and to monitor compliance with such guidelines.
10. The Committee has authority to establish and periodically review the need for and terms of policies with respect to change of control or "parachute" payments.
11. After the Company no longer is eligible for (or, if eligible, elects not to use) certain exemptions from various reporting requirements available to an emerging growth company (as defined in the Jumpstart Our Business Startups Act of 2012) and/or a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act), as applicable:
  - a. The Committee shall review the CD&A section of the Company's Annual Report on Form 10-K or in the Company's proxy statement, discuss the disclosure with management and determine whether to recommend to the Board that the CD&A be included in the Company's Annual Report on Form 10-K or in the Company's proxy statement, as applicable.
  - b. The Committee shall prepare and approve the Compensation Committee's report to be included as part of the Company's proxy statement.
  - c. The Committee shall take into account the results of previous stockholder advisory votes on executive compensation (among other factors that it deems relevant) in determining compensation policies and decisions for executive officers.
  - d. The Committee shall take into account the results of previous stockholder advisory votes on the frequency of stockholder advisory votes on executive compensation (among other factors that it deems relevant) in making recommendations to the Board on the determination of the frequency of stockholder advisory votes on executive compensation.
  - e. The Committee shall, at least annually, review and approve an annual risk assessment of the Company's compensation policies and practices.
12. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide to the Board any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

13. The Committee shall have responsibility to consider the following independence factors among other factors that it may deem relevant before selecting, or receiving advice from, a compensation consultant, legal counsel or other adviser, other than in-house legal counsel:
- i. the provision of other services to the Company by the person that employs the adviser (the “Employer”);
  - ii. the amount of fees received from the Company by the Employer, as a percentage of the total revenue of the Employer;
  - iii. the policies and procedures of the Employer that are designed to prevent conflicts of interest;
  - iv. any business or personal relationship of the adviser with a member of the Committee;
  - v. any stock of the Company owned by the adviser, and
  - vi. any business or personal relationship of the adviser or the Employer with an officer of the Company (as such term is defined in Rule 16a-1, promulgated under the Exchange Act).

The Committee is not required to conduct the independence assessment outlined above with respect to any adviser whose role is limited to activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K.

For clarity, nothing herein requires an adviser to be independent, only that the Committee consider the independence factors outlined above before selecting or receiving advice from an adviser. The Committee may select or receive advice from any adviser it prefers, including ones that are not independent, after considering the independence factors outlined above.

14. The Committee shall periodically review and evaluate the compensation of the Company’s non-employee directors for their service on the Board and make recommendations to the Board regarding the amount, form and terms of such compensation.
15. The Committee shall review and reassess the adequacy of this Charter at least annually and submit any recommended changes to the Board for its consideration.

#### **V. Delegation of Duties**

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, except that it shall not delegate its responsibilities set forth in paragraphs 2, 3, 4 (but only with respect to executive officers) and 5 of Section IV above or for any matters that involve executive officer compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code by virtue of being approved by a committee of “outside directors” or is intended to be exempt from Section 16(b) under the Exchange Act pursuant to Rule 16b-3 by virtue of being approved by a committee of “Non-Employee Directors.”