

**ZIX CORPORATION  
BOARD OF DIRECTORS  
COMPENSATION COMMITTEE**

**Charter**

This Charter will govern the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Zix Corporation (the “Company”<sup>1</sup>), except as may be otherwise required by the charter or bylaws of the Company or by applicable law.

This Charter is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s charter and bylaws as amended from time to time, it is not intended to establish by its own force any legal duties or legally binding obligations.

**Purposes and Responsibilities**

The Committee's principal purposes and responsibilities are to:

- establish and review the Company’s overall management compensation philosophy and policies;
- directly review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (“CEO”) and other executive officers,<sup>2</sup> including annual and long-term performance goals and objectives;
- evaluate the performance of the Company’s CEO and other executive officers in light of those goals and objectives; determine and approve the compensation of the CEO and other executive officers based on that evaluation, including incentive-based cash compensation and equity-based compensation;
- review and approve or authorize any offer letter, employment, compensation, benefit or severance agreement with any current or prospective executive officer (and any amendments or modifications thereto);
- administer and oversee any equity-based or other compensation plan or program as to which the Board has delegated such responsibility to the Committee;
- review and make recommendations to the Board with respect to the Company’s overall director compensation philosophy and policies;
- produce a compensation committee report on executive officer compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations;

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<sup>1</sup> References to the “Company” mean Zix Corporation and its subsidiaries.

<sup>2</sup> The term “executive officers” has the meaning set forth in Rule 3b-7 promulgated by the Securities and Exchange Commission (“SEC”).

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- review and discuss with management the Company's compliance with SEC regulations regarding stockholder approval of executive compensation matters, including stockholder advisory votes on executive compensation ("say-on-pay") and stockholder advisory votes on the frequency of say-on-pay votes to determine the form of the stockholder advisory proposal to be included in the proxy statement for election of Directors and the Company's recommendation as to the frequency of the of the say-on-pay vote, and the requirement under NASDAQ rules that, with limited exceptions, stockholders approve equity compensation plans;
- review and consider the results of the company's most recent say-on-pay vote, if any, and any other feedback garnered through the Company's ongoing shareholder outreach that may be in effect from time-to-time, and recommend to the Board whether and, if so, how the Company should respond to say-on-pay vote outcomes and other shareholder feedback;
- review and discuss with management, in conjunction with the Company's Nominating and Corporate Governance Committee, any stockholder proposals relating to executive compensation matters and recommend to the Board the Company's responses to such proposals;
- review and discuss with management the Company's Compensation Discussion and Analysis disclosure required by SEC regulations (including addressing whether and how the Company has taken action with respect to the results of prior say-on-pay votes) and determine whether to recommend to the Board that it be included in the Company's Annual Report on Form 10-K and/or any proxy statement for the election of Directors (or information statement in lieu thereof);
- review at least annually the Company's compensation policies, programs and practices for executive officers, senior management and employees generally to determine whether they encourage unnecessary or excessive risk taking and whether any risks arising from such practices, policies and programs are reasonably likely to have a material adverse effect on the company;
- determine if the Committee is required to make disclosures required by SEC regulations regarding any conflict of interest of any compensation consultant, such disclosure to include whether: (i) the Committee engaged the services of a compensation consultant in determining or recommending the amount or form of executive and/or director compensation; and (ii) the nature of the conflict of interest and how the conflict is being addressed;
- review (in conjunction with the Nominating and Corporate Governance Committee) the performance, development and leadership capabilities of key executive officers and succession planning strategies of the Company;
- provide strategic review of the company's human resources strategies and initiatives to ensure the company is seeking, developing and retaining human capital appropriate to the company's needs;
- deliver such other reports or communications relating to compensation as may be required by applicable law, or which the Committee otherwise determines in its business judgment to be necessary or advisable;
- perform such other purposes and responsibilities as may be delegated or assigned to the Committee by the Board; and report to the Board as needed.

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## Delegation of Authority

To the extent permitted by applicable law and the Company's charter and bylaws, the Committee has and may exercise the powers and authority of the Board with respect to the purposes and responsibilities described in this Charter.

## Subcommittees

The Committee has the authority to create one or more subcommittees. The Committee may delegate any of its responsibilities to a subcommittee of solely one or more members of the Committee so long as such delegation is not otherwise inconsistent with law and applicable rules and regulations of the SEC and the NASDAQ Stock Market.

## Retention of Advisors

In discharging its responsibilities, the Committee is empowered to retain experts and advisors, including legal counsel and other outside consultants ("Advisors"), as the Committee deems appropriate. The Committee has the authority to determine, authorize and approve on behalf of the Company the compensation of any Advisors retained by the Committee pursuant to this Charter and the Committee shall be directly responsible for the appointment, compensation and oversight of the work of such Advisors.

When considering the appropriateness of retaining or receiving advice from any individual Advisor (other than in-house counsel), the Committee must take into consideration the independence factors under applicable NASDAQ Stock Market listing standards and any other factors deemed relevant by the Committee.

## Funding

The Company will, as requested by the Committee, provide funding for the payment of reasonable compensation to any Advisors retained by the Committee, and for administrative and other expenses of the Committee that are necessary or appropriate in carrying out its functions and duties.

## Access to Management

The Committee will maintain free and open communication with the Company's CEO, the Company officer having responsibility for managing the human resource function, and other members of management.

## Key Tasks and Processes

The Committee has the authority to perform the tasks and processes delegated or assigned to it pursuant to this Charter and by the Board from time to time.

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## Administration Guidelines

The Committee will be administered in accordance with the administration guidelines established for it by the Board from time to time, including Committee member qualifications, Committee member appointment and removal, and Committee structure and operations.