

MOVADO GROUP, INC.

COMPENSATION COMMITTEE CHARTER

I. COMPOSITION AND QUALIFICATIONS

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Movado Group, Inc. (the “Company”) shall be comprised of three or more directors as determined by the Board. Each member of the Committee shall be affirmatively determined by the Board to be “independent” in accordance with the rules of the New York Stock Exchange (“NYSE”), shall be elected by the Board annually and shall serve until his or her successor is duly elected and qualified. The Board may remove any member of the Committee by majority vote.

II. PURPOSE

The purpose of the Committee is to:

1. Discharge the Board’s responsibilities relating to compensation of the Company’s executive officers; and
2. Produce an annual report on executive compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations.

III. DUTIES

The duties and responsibilities of the Committee are to:

1. Review and approve, on an annual basis, corporate goals and objectives relevant to the Company’s CEO’s compensation, evaluate the CEO’s performance in light of those goals and objectives, and set the CEO’s compensation level based on that evaluation. The CEO shall not be present during voting or deliberations relating to his or her compensation.
2. Review and approve, on an annual basis, compensation for the Company’s executive non-CEO officers and key employees.
3. Review, approve and, when appropriate, recommend to the Board for approval incentive-compensation, employee benefit and equity-based plans, which includes the ability to adopt, amend and terminate such plans.
4. Review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent shareholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company’s proxy statement.
5. Review director compensation for service on the Board and Board committees at least once a year and recommend any changes to the Board.

6. Report regularly to the Board (i) following meetings of the Committee, (ii) with respect to those matters that are relevant to the Committee's discharge of its responsibilities, and (iii) with respect to those recommendations that the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chairman of the Committee or any other member of the Committee designated by the Committee to make such report.
7. Approve compensation awards (with or without ratification or approval by the Board) as may be required to comply with applicable tax or state corporate laws.
8. Produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.
9. Review any employment agreement or compensatory transaction with an executive officer of the Company involving compensation in excess of \$120,000 per year.
10. Perform a review and evaluation, at least annually, of the performance of the Committee. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.
11. Perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate. In carrying out its responsibilities, the policies and procedures of the Committee should remain flexible in order that it can best react to changing conditions and assure the directors and shareholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality.

IV. OUTSIDE ADVISORS

The Committee shall have all authority necessary or implied in order to carry out its duties and responsibilities. Without limitation to the generality of the foregoing, the Committee may, in its sole discretion, retain or obtain the advice of compensation consultants, independent legal counsel or other advisors (collectively "Advisors") as it determines necessary to carry out its duties and responsibilities and shall be solely and directly responsible for the appointment, compensation and oversight of the work of any Advisor so retained.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any Advisor retained by the Committee.

The Committee may select an Advisor to the Committee only after taking into consideration, all factors relevant to that person's independence from management, including the following:

1. The provision of other services to the Company by the person that employs the Advisor;
2. The amount of fees received from the Company by the person that employs the Advisor, as a percentage of the total revenue of the person that employs the Advisor;
3. The policies and procedures of the person that employs the Advisor that are designed to prevent conflicts of interest;
4. Any business or personal relationship of the Advisor with a member of the Committee;
5. Any stock of the Company owned by the Advisor; and
6. Any business or personal relationship of the Advisor or the person employing the Advisor with an executive officer of the Company.

Nothing contained herein shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the Advisor; or (ii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

Before retaining an Advisor (other than (i) in-house legal counsel; and (ii) any Advisor whose role is limited role to consulting on broad-based, non-discriminatory plans or providing information that is not customized in particular for the Company (as described in Item 407(e)(3)(iii) of Regulation S-K), the Committee shall conduct the independence assessment required by law as outlined in this Charter and as outlined under applicable NYSE rules.

Nothing contained herein shall require an Advisor to be independent, only that the Committee consider the enumerated independence factors before selecting or receiving advice from such Advisor.

V. STRUCTURE AND OPERATIONS

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

The Committee shall meet as often as necessary to fulfill its functions.

The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. Committee action may be taken by unanimous consent. The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

VI. DELEGATION OF AUTHORITY

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; provided that the subcommittees are composed entirely of directors who satisfy the independence requirements of the NYSE.

(revised 03-19-2013)