

## Appendix A

### SHL TELEMEDICINE LTD.

#### 2020 Compensation Policy for Executive Officers and Directors

### **1. Objectives**

This document sets forth the compensation policy for Executive Officers and Directors of SHL Telemedicine Ltd. (the “**Company**”), in accordance with the requirements of the Companies Law (as such terms are defined below):

1.1. Several main principles and objectives form the basis of the compensation policy: (a) To promote the Company’s mission, long term goals and targets; (b) To create appropriate incentives for the Company’s officers with the aim of aligning such Officers’ compensation with the Company’s mission and goals, taking into account, inter alia, the Company’s risk management policy; (c) To adapt a compensation package combination that matches the size of the Company and the nature of its activities; and (d) To comply with the provisions of the Law by compensating those eligible pursuant to the Compensation Policy, based on their efforts and contribution to the development of the Company’s business and to the promotion of its goals, in the short and long term.

1.2. The Compensation Policy shall be at all times subject to any applicable law.

### **2. Definitions**

SHL or the Company	SHL Telemedicine Ltd.
Group	The Company and its subsidiaries and affiliates
Companies Law	Companies Law 5759- 1999 as in effect from time to time.
Board	The board of directors of the Company.
Director	Member of the Board.
Compensation Committee	The compensation committee of the Company as duly appointed from time to time in accordance with applicable law.
CEO	Chief Executive Officer of the Company.
VP	A chief business manager, a deputy general manager, vice general manager, any person who holds such position in the Company even if such person holds a different title and any other manager/officer in the Company who reports directly to the CEO.
Executive Officers	CEO and VPs.
Officers	As such term is determined under the Companies Law.

Base Salary	Fixed gross monthly salary in exchange for the work of the Executive Officer.
Management Fees	Fixed monthly payment in exchange for services provided by an Officer through a management or consulting contract against a proper invoice.  For the purpose of the Compensation Policy, the Base Salary of such Officer shall be: <ul style="list-style-type: none"> <li>a. Deemed to be equal to 70% of the total monthly consideration paid for his services, under such invoice, excluding VAT. Or;</li> <li>b. For Officers whose company car tax liability is grossed</li> </ul>
Employee Benefits	The compensation of each Executive Officer who is an employee of the Company may include additional benefits such as social benefits, severance payment, pension insurance, managers insurance, or study fund, subject to applicable law. The compensation of Executive Officers (whether employees or service providers) may also include fringe benefits such as medical insurance, car allowance, mobile phone allowance and reimbursement for other expenses incurred for the purpose of carrying out his or her duties, with or without grossing up of such benefits, all in accordance with applicable law and

3. Term and Applicability of Compensation Policy

- 3.1. This Compensation Policy Shall apply only to Officers of the Company and shall be in force for a period of 3 years from the date the Compensation Policy is duly approved. The Company has the right to change the Compensation Policy, at any time, in accordance with the provisions of applicable law.
- 3.2. It is hereby emphasized, that none of the provisions in this Compensation Policy is intended to provide any rights or remedies to any of the Officers to whom this Policy applies and/or other employees of the Company, and/or to any third party, and no Officer or employee or any third party on his or her behalf may make any claim and/or demand against the Company, any of its office holders or employees or any subsidiary or affiliate thereof or of its shareholders, based on the guidelines set forth herein.

4. Supervision and Control of Compensation Policy

- 4.1. The Board of Directors is in charge of the implementation of the Compensation Policy including the authority to interpret the provisions thereof.
- 4.2. The Compensation Committee shall examine the application of the Compensation Policy, from time to time, and at the latest each year, and recommend any changes, to the extent necessary, to the Board.
- 4.3. The Compensation Committee shall evaluate annually the performance of each of the Executive Officers and shall review at least annually the Executive Officers' personal compensation programs in light of the Company's goals and objectives with

respect to such programs, and recommend any changes to the Board.

## 5. General Parameters for Examining the Compensation Terms

In general, the compensation terms for Officers shall be examined, while taking into consideration, inter alia, the following parameters:

- 5.1.1. The education, qualifications, expertise, seniority (in the Company in particular, and in the Officer's profession in general), professional experience and achievements of the Officer;
- 5.1.2. The Officer's position, and his previous agreements with the Company;
- 5.1.3. The Officer's contribution to the Company's business, profits and stability;
- 5.1.4. The degree of responsibility imposed on the Officer; The Company's need to retain officers who have skills, know-how or unique expertise;
- 5.1.5. The Company's global nature;
- 5.1.6. The ratio between the Officer's employment terms and conditions and other Company employees and/or contract workers employed by the Company and in particular the ratio between such Officer's compensation to the average wage and the median wage in the Company and the impact of the differences on labor relations in the Company.

## 6. Compensation Program

The Company shall be entitled to grant to its Officers a compensation program which may include all or some of the following elements as set forth in this Compensation Policy: Fixed Compensation, Annual Cash Bonus, Share-Based Compensation, Special Bonus, insurance, exemption, indemnification, and Retirement Terms, as such terms are defined below.

## 7. Fixed Compensation

### 7.1. Directors' compensation

The compensation of the Directors shall be subject to the limitations as set in this Compensation Policy. Unless otherwise set forth herein, the remuneration of the Directors shall be in accordance with the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director), 5760-2000 ("**Compensation of Directors Regulations**").

Notwithstanding anything to the contrary contained herein, an active chairman of the Board (the "**Chairman**") who takes on increased duties on behalf the Company shall receive a compensation in recognition of such increased duties (i.e. a separate compensation in lieu of the remuneration of the Directors are entitled to in accordance with the Compensation of Directors Regulations) (the "**Chairman's Fixed Compensation**"), as long as such person is an active chairman and provided that the Chairman's Fixed Compensation shall not exceed the sum of NIS 780,000 per annum (employer's cost). The Chairman's Fixed Compensation will be paid to the Chairman either as an employee of the Company or against an invoice, at the Chairman's sole discretion. ~~In the event that there is more than one chairman, the compensation limitation of the Chairman's Fixed Compensation set forth above, shall apply to each chairman separately.~~

~~The Chairman may receive a transaction bonus due to a significant or strategic transaction initiated by the Chairman, or significant or strategic transaction that the Chairman was involved in, in an amount equal to twice of the chairman's monthly fixed compensation. In no event shall the transaction bonuses exceed in any given calendar year the sum equal to 8 times the Chairman's monthly fixed compensation.~~

~~In addition, the Chairman may receive a special bonus due to a Full Exit Event in an amount up to 2.5% of the consideration paid in such an event. For purposes of this paragraph, a "Full Exit Event" means: a sale of all the Company's shares or a full merger of the company into another entity in consideration of shares and/or cash in the other entity (instead of the Company's shares), or a sale of all or substantially all the Company's assets.~~

Notwithstanding the Compensation of Directors Regulations, the Company shall be entitled to pay a participation remuneration to Directors for meetings via electronic means at the same rate as the remuneration it pays for physical meetings (subject to any applicable law). In addition to the above, the Company will reimburse or cover its Directors for expenses (including travel expenses) incurred in connection with Board and committee meetings or performing other services for the Company in their capacity as Directors, in accordance with Company policy as in effect from time to time, and subject to applicable law. For the avoidance of doubt, the foregoing will not be applicable with respect to the Chairman who receives the Chairman's Compensation.

7.2. Directors (including the Chairman) may also be eligible to a Share-Base Compensation as hereinafter defined.

#### Executive Officers

7.2.1. The Base Salary of each Executive Officer, whether paid as Salary or as Management Fees, shall be determined based on a variety of considerations including the parameters specified in Section 5 above and including the following considerations:

- **Competitiveness** - the Base Salary of Executive Officers will be evaluated, if required by the Compensation Committee, by conducting external benchmarking using a defined peer group, selected based on such factors, among others, as Company's size, global footprint, nature of activities and competitors of similar talent.
- **Internal fairness** - the variation in the relative Base Salary among Executive Officers should reflect the differences in position, education, scope of responsibilities, location, previous experience in similar roles and contribution to attainment of the Company's goals.

7.2.2. The Fixed Compensation of Executive Officers may include Employee Benefits as defined above, at least in compliance with mandatory benefits under applicable laws.

7.2.3. A Non-Material Amendment to the compensation components of the VPs, shall require only the approval of the CEO, provided that such amendments do not exceed from the restrictions and the provisions of the Compensation Policy of the Company; for this matter, "Non Material Amendment" shall mean, a change of up to 10% of the total cost of all of the

officer’s compensation components as approved by the Compensation Committee and the Board. Such amendments, if preformed, shall be reported to the Compensation Committee.

7.2.4. The criteria for “Non Material Amendment”, as mentioned in section 7.2.3 above, shall apply, mutatis mutandis, also in relation to a Non Material Amendment of the CEO’s compensation components, in regard to the provisions of section 272(d) to the Companies Law.

8. Annual Cash Bonus

The cash bonuses aim to ensure that the Executive Officers are aligned in reaching the Company’s goals.

8.1. Terms and General Conditions

Executive Officers may be entitled to a cash bonus in accordance with an Annual Bonus Plan (the “**Annual Bonus Plan**”). The Annual Bonus Plan is aimed to create an alignment between the compensation of the Executive Officers and the Company’s annual and long term goals while focusing, inter alia, on individual goals that will be defined for each of the Executive Officers. The Annual Bonus Plan may include rules for eligibility in case the Executive Officer serves for only part of the relevant year.

The Compensation Committee and the Board shall have the full discretion to determine the amount of the bonus payout, if any, of any and all Executive Officer(s) in any given year, up to the Maximum Amounts set forth below, and may also reduce such bonuses. For avoidance of doubt, the actual grant of bonuses shall be approved pursuant to applicable law.

Annual bonus payout to Executive Officers may be calculated by using financial metrics and/or measurable key performance indicators (“**KPI**”), as pre-determined by the Compensation Committee and the Board in the Annual Bonus Plan, and/or qualitative evaluation, as follows:

Group	Measurable KPI		Qualitative Evaluation
	Group / Company	Individual	
CEO	80%-100%		Up to 20%
VPs	Up to 100%	Up to 60%	Up to 20%

8.2. Maximum Amount of the Annual Cash Bonus

The maximum amount of the Annual Cash Bonus for each of the following Executive Officers, shall be as follow:

- CEO - Up to twelve (12) times of his or her Base Salary.
- VP - Up to six (6) times of such VP’s Base Salary.

8.3. KPIs:

8.3.1. Hereunder is the general list of some, but not all of the eligible KPIs for the Annual Bonus Plan for the VP’s (The KPIs for each year will be approved by the Compensation Committee in advance and will be determined for each official separately from his position):

Group	Group \ Company	Individual
	- Budget targets	
VPs	- Capital raise	- Number of patients \subscribers
	- Cash flow targets	-Meet objectives of product development
	- Profit targets <u>(Gross profit, Operating profit, etc.)</u>	-Gain new business
		-For creating new strategic & commercial collaborations.
		- Sales targets, including by geographical areas and\or from new products
		- Individual department

8.3.2. Hereunder is the list of the eligible KPIs for the Annual Bonus Plan for the CEO. The KPIs for each year will be determined by the Compensation Committee and the Board in the Annual Bonus Plan and will be chosen only from the KPI's list below. The weight of each KPI will be up to 50%:

Revenue;  
Revenue from existing geographies (Israel and Germany);  
Revenue from new geographies, new products or new business line;  
EBITDA;  
Operating free cash flow;  
Net Profit;  
Subscriber Israel;  
Telehealth users;  
Telehealth visits;  
Major strategic impact (new major contract, new meaningful product/technology launching or purchasing, major international distribution agreement or partnership, M&A);  
Chronic care tenders.

8.3.3. The measurement of profit targets shall be based on the audited annual financial statements of the Company. For the purpose of calculating a profit target, revenue and expenses not involving cash flow and/or re-evaluation of assets will not be taken into account.

8.3.4. The Annual Cash Bonus parameters for Executive Officers will be determined for each year and will be approved by the Compensation Committee and the Board in advance and will be determined for each official separately from his position, taking into account the Company's risk management policy.

8.3.5. Entitlement of an Executive Officer to receive any Annual Bonus shall be conditioned upon the achievement of a minimal threshold of 80% of the target performance of each of his or her KPIs (the "**Threshold**") or any

other threshold determined in the Annual Bonus Plan. For avoidance of doubt, performance below the Threshold of a KPI shall not entitle such Executive Officer to any bonus payment with respect to such KPI; *however*, achievement of such Threshold of other KPIs of an Executive Officer may entitle same to a bonus payment with respect thereto. Performance above the Threshold may entitle the Executive Officer to a linear pro rata portion of the bonus set for such KPI or any other portion determined in the Annual Bonus Plan (up to the ceiling of the bonus allocated thereto, *provided* that the aggregate Annual Bonus paid to an Executive Officer shall not exceed the ceiling set forth hereinabove.

8.3.6. Notwithstanding the above, the Compensation Committee and the Board may decide, at their sole discretion, to pay an Executive Officer annual bonus, even if KPIs were not determined in advance or in the event the Executive Officer did not achieve the KPIs determined, provided however, that the annual bonus shall not exceed three (3) times the Base Salary of that Executive Officer.

#### 8.4. Non-Measurable Criteria for the Bonus

The Compensation Committee and the Board will consider and approve this component, based, inter alia, on the recommendation and personal assessment given by the person or organ in charge of the Executive Officer, specifying the relevant reasons underlying the recommendation: The Executive Officer's unique contribution to the Company:

- Satisfaction with the Officer's performance (including assessing the degree of involvement of the Executive Officer and devotion of efforts in the performance of his or her duties);
- Assessing the Executive Officer's ability to work in coordination and cooperation with other employees of the Company;
- The Executive Officer's contribution to appropriate control environment and ethical environment.

#### 9. Special Cash Bonus

In addition to the Annual Cash Bonus, under special circumstances, the Compensation Committee and the Board may determine and approve that an Executive Officer is also entitled to other cash bonuses in recognition of a Significant Achievement such as: merger, significant acquisition, consolidation or acquisition of the Company with, by or into another corporation or entity; private placements to a strategic investor; public offering in a sum and a valuation predetermined by the Board:

**“Significant Achievement”** - for the purpose of this section means an increase of at least 20% of the Company's equity or Company's market value or Company's annual revenue.

The total amount of Special Cash Bonuses awarded to an Executive Officer for any given calendar year may be up to six (6) times of the Base Salary of the CEO and three (3) times of the Base Salary of any other Executive Officer.

## 10. Share-Based Compensation

The Company shall be entitled to grant its Officers: Options, Restricted Stock Units or any other share-based compensation (“**Share-based Compensation**”), pursuant to an equity or option plan as adopted or shall be adopted, from time to time, and subject to any applicable law.

The fair value of the Share-based Compensation shall be calculated, at the time of grant, in accordance with the method to be performed in in the Company’s financial statements (“**Fair Value**”).

10.1. The Fair Value of the Share-based Compensation, shall not exceed the following for one year (i.e. the Fair Value of the Share Base Compensation at the time of the grant divided, linearly, to the number of the years until all the Share Based Compensation is vested):

- For an Executive Officer - one and half (1.5) times such Executive Officer’s yearly Base Salary.
- For the CEO – two and a half (2.5) times the CEO’s yearly Base Salary.
- For all Directors as a group - the amount of US\$800,000.

10.2. The exercise price and any other terms of the grant will be determined by the Compensation Committee and the Board, as required by any applicable law. In any event, such exercise price shall be at least equal to the average Closing Price of the Company’s share during the thirty (30) trading day period preceding the date of such grant; provided that the Compensation Committee and the Board shall have the right to determine an exercise price different from the aforesaid and/or the Plan in exceptional cases and under special circumstances which shall be laid out in the Compensation Committee’s and Board’s respective decisions.

10.3. Share-based Compensation, if granted, shall mature in installments or vesting periods (or depend on meeting milestones) which shall take into account the appropriate incentive, in light of the Company’s objectives in the years following the approval of the grant, and in any event the vesting shall be at a minimum of (i) first cliff after one year from the date of grant; and (ii) full vesting not earlier than thirty six (36) months from the date of an officer first grant.

10.4. Notwithstanding anything to the contrary in this Compensation Policy, in the event of a Corporate Transaction (as such term is defined under the Company’s 2015 Executive and Key Employee Share Option Plan, the “Plan”) or any option plan as in effect, from time to time, or in the event of termination by the Company of an Executive Officer (except for “cause”) in a Change of Control event (as hereinafter defined), subject to the recommendation and approval of the Compensation Committee (and subject to shareholder approval, if required under the Companies Law), the Board may authorize and approve the acceleration of all or any part of any unvested options outstanding immediately prior to the consummation of the Transaction.



## 11. Insurance, Exemption and Indemnification

The Officers of the Company shall be entitled to benefit from the insurance, exemption and indemnification arrangements, to be approved from time to time by the Company, pursuant to the provisions of the Articles of Association of the Company and applicable law. In the case of insurance, the maximum coverage per a claim and for a period of one year shall not exceed the sum of US\$15,000,000 (fifteen million US Dollars).

## 12. Retirement Terms

### 12.1. Advance Notice

The advance notice period shall be determined individually with respect to each Executive Officer, and shall not exceed a period of ~~six-four (64) months~~ ~~advance notice for the CEO and three (3) months periods for other Executive officers.~~

### 12.2. Retirement Grant

An Executive Officer may become entitled to a retirement grant in the event of termination by the Company (except for “cause”) subject to the approval of the Compensation Committee and the Board.; ~~such~~ ~~Such~~ grant to be examined in light of the period of service or employment of the Executive Officer in the Company, the terms of service, the Company’s performance during said period, the contribution of the Executive Officer to achieving the Company’s goals and its profitability, and the circumstances of retirement. The amount or value of such retirement grant shall not exceed an additional six (6) months for the CEO (provided he is not a controlling shareholder) and three (3) months for the Executive Officers, of Base Salary, all in addition to the Advance Notice.

### 12.3. Retirement Grant in Case of Change of Control

Upon termination of service or employment by the Company (except for “cause”) of the CEO, or by the CEO (provided he is not a controlling shareholder) resulting from a Change of Control event, and during a six (6) months period following the closing date of such event, such terminated CEO may be entitled to an additional retirement grant of up to three (3) times of such CEO monthly Base Salary, subject to the approval of the Compensation Committee and the Board. Company may elect to pay such additional grant, to the extent approved, by acceleration of any future grants to the extent same exist under the employment agreement of any so eligible CEO. **“Change of Control”** - as such term is defined under the Israeli Companies Law.

## 13. Claw Back

~~Officers shall be required to return any compensation paid to them on the basis of results included in financial statements that turn out to be erroneous and subsequently restated.~~ The Company has a policy that sets forth the circumstances and procedures under which the Company shall recover certain compensation from Executive Officers in the event of a material financial restatement. The compensation recovery policy is attached as Annex A to this Compensation Policy.

## Annex A

### SHL Telemedicine Ltd. Nasdaq Compensation Recovery Policy

#### 1. Overview

This Policy sets forth the circumstances and procedures under which SHL Telemedicine (the “Company”) shall recover Erroneously Awarded Compensation from Covered Persons (as defined below) in accordance with rules issued by the United States Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and listing standards adopted by the Exchange. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in Section 3 below.

#### 2. Compensation Recovery Requirement

In the event the Company is required to prepare a Material Financial Restatement, the Company shall recover reasonably promptly all Erroneously Awarded Compensation with respect to such Material Financial Restatement.

#### 3. Definitions

- a. “Applicable Recovery Period” means the three completed fiscal years immediately preceding the Restatement Date for a Material Financial Restatement. In addition, in the event the Company has changed its fiscal year: (i) any transition period of less than nine months occurring within or immediately following such three completed fiscal years shall also be part of such Applicable Recovery Period and (ii) any transition period of nine to 12 months will be deemed to be a completed fiscal year.
- b. “Applicable Rules” means any rules or regulations adopted by the Exchange pursuant to Rule 10D-1 under the Exchange Act and any applicable rules or regulations adopted by the SEC pursuant to Section 10D of the Exchange Act.
- c. “Board” means the Board of Directors of the Company.
- d. “Committee” means the Compensation Committee of the Board or, in the absence of such committee, a majority of independent directors serving on the Board.
- e. A “Covered Person” means any Executive Officer. A person’s status as a Covered Person with respect to Erroneously Awarded Compensation shall be determined as of the time of receipt of such Erroneously Awarded Compensation regardless of such person’s current role or status with the Company (e.g., if a person began service as an Executive Officer after the beginning of an Applicable Recovery Period, that person would not be considered a Covered Person with respect to Erroneously Awarded Compensation received before the person began service as an Executive Officer, but would be considered a Covered Person with respect to Erroneously Awarded Compensation received after the person began service as an Executive Officer where such person served as an Executive Officer at any time during the performance period for such Erroneously Awarded Compensation).

- f. “Erroneously Awarded Compensation” means the amount of any Incentive-Based Compensation received by a Covered Person and during the Applicable Recovery Period that exceeds the amount that otherwise would have been received by the Covered Person had such compensation been determined based on the restated amounts in the Material Financial Restatement, computed without regard to any taxes paid. Calculation of Erroneously Awarded Compensation with respect to Incentive-Based Compensation based on share price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in a Material Financial Restatement, shall be based on a reasonable estimate of the effect of the Material Financial Restatement on the share price or total shareholder return upon which the Incentive-Based Compensation was received, and the Company shall maintain documentation of the determination of such reasonable estimate and provide such documentation to the Exchange in accordance with the Applicable Rules. Incentive-Based Compensation is deemed received, earned or vested when the Financial Reporting Measure is attained, not when the actual payment, grant or vesting occurs.
- g. “Exchange” means the Nasdaq Stock Market LLC.
- h. An “Executive Officer” means any person who served the Company in any of the following roles at any time during the performance period applicable to Incentive-Based Compensation such person received during service in such role: president, principal financial officer, principal accounting officer (or if there is no such accounting officer the controller), any vice president in charge of a principal business unit, division, or function (such as sales, administration or finance), any other officer who performs a policy making function, or any other person who performs similar policy making functions for the Company. Executive officers of parents or subsidiaries of the Company may be deemed executive officers of the Company if they perform such policy making functions for the Company.
- i. “Financial Reporting Measures” mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, any measures that are derived wholly or in part from such measures (including, for example, a non-GAAP financial measure), and share price and total shareholder return.
- j. “Incentive-Based Compensation” means any compensation provided, directly or indirectly, by the Company or any of its subsidiaries that is granted, earned, or vested based, in whole or in part, upon the attainment of a Financial Reporting Measure and any equity-based compensation provided by the Company or any of its subsidiaries, including, without limitation, stock options, restricted stock awards, restricted stock units and stock appreciation rights.
- k. A “Material Financial Restatement” means a restatement of previously issued financial statements of the Company due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required restatement to correct an error in previously-issued financial statements that is material to the previously-issued financial statements or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

1. “Restatement Date” means, with respect to a Material Financial Restatement, the earlier to occur of: (i) the date the Board or the Audit Committee of the Board concludes, or reasonably should have concluded, that the Company is required to prepare the Material Financial Restatement or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare the Material Financial Restatement.

#### **4. Exception to Compensation Recovery Requirement**

The Company may elect not to recover Erroneously Awarded Compensation pursuant to this Policy if the Committee determines that recovery would be impracticable, and one or more of the following conditions, together with any further requirements set forth in the Applicable Rules, are met: (i) the direct expense paid to a third party, including outside legal counsel, to assist in enforcing this Policy would exceed the amount to be recovered, and the Company has made a reasonable attempt to recover such Erroneously Awarded Compensation; (ii) recovery would cause the Company to violate a law of Israel that was adopted prior to November 28, 2022, and the Company obtains an opinion of Israeli counsel that recovery would result in a violation of such country’s law and provides the opinion to the Exchange; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan to fail to be so qualified under applicable regulations.

#### **5. Tax Considerations**

To the extent that, pursuant to this Policy, the Company is entitled to recover any Erroneously Awarded Compensation that is received by a Covered Person, the gross amount received (i.e., the amount the Covered Person received, or was entitled to receive, before any deductions for tax withholding or other payments) shall be returned by the Covered Person.

#### **6. Method of Compensation Recovery**

The Committee shall determine, in its sole discretion, the method for recovering Erroneously Awarded Compensation hereunder, which may include, without limitation, any one or more of the following:

- a. requiring reimbursement of cash Incentive-Based Compensation previously paid;
- b. seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards;
- c. cancelling or rescinding some or all outstanding vested or unvested equity-based awards;
- d. adjusting or withholding from unpaid compensation or other set-off;
- e. cancelling or offsetting against planned future grants of equity-based awards; and/or
- f. any other method permitted by applicable law or contract.

Notwithstanding the foregoing, a Covered Person will be deemed to have satisfied such person’s obligation to return Erroneously Awarded Compensation to the Company if such

Erroneously Awarded Compensation is returned in the exact same form in which it was received, provided that equity withheld to satisfy tax obligations will be deemed to have been received in cash in an amount equal to the tax withholding payment made.

## **7. Policy Interpretation**

This Policy shall be interpreted in a manner that is consistent with the Applicable Rules and any other applicable law. The Committee shall take into consideration any applicable interpretations and guidance of the SEC in interpreting this Policy, including, for example, in determining whether a financial restatement qualifies as a Material Financial Restatement hereunder. To the extent the Applicable Rules require recovery of Incentive-Based Compensation in additional circumstances besides those specified above, nothing in this Policy shall be deemed to limit or restrict the right or obligation of the Company to recover Incentive-Based Compensation to the fullest extent required by the Applicable Rules.

## **8. Policy Administration**

This Policy shall be administered by the Committee. The Committee shall have such powers and authorities related to the administration of this Policy as are consistent with the governing documents of the Company and applicable law. The Committee shall have full power and authority to take, or direct the taking of, all actions and to make all determinations required or provided for under this Policy and shall have full power and authority to take, or direct the taking of, all such other actions and make all such other determinations not inconsistent with the specific terms and provisions of this Policy that the Committee deems to be necessary or appropriate to the administration of this Policy. The interpretation and construction by the Committee of any provision of this Policy and all determinations made by the Committee under this policy shall be final, binding and conclusive.

## **9. Compensation Recovery Repayments not Subject to Indemnification**

Notwithstanding anything to the contrary set forth in any agreement with, or the organizational documents of, the Company or any of its subsidiaries, Covered Persons are not entitled to indemnification for Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered under this Policy.