

**BOKU, INC. (the "Company")**

**REMUNERATION COMMITTEE**

**Terms of reference**

(Adopted by the board of directors of the Company on 24th November 2021)

**1. The Remuneration Committee**

The Remuneration Committee:

- (a) is a sub-committee of the board of directors and shall make recommendations to the board on general policy and determine on behalf of the board specific remuneration packages for each of the executive directors;
- (b) is composed of non-executive directors;
- (c) has the primary responsibility of reviewing remuneration of executive directors, in its widest sense (see below) and ensuring that it is adequate for such persons so as to suitably tie them into the Company and also of a sufficient level to attract high calibre employees; and
- (d) will meet at least three times a year and in any event sufficiently frequently and for long enough to perform its duties effectively.

**2. Membership**

- 2.1 There should be a minimum of two members of the Remuneration Committee.
- 2.2 Membership should be confined to non-executive directors appointed by the board and in consultation with the chairman of the Remuneration Committee. The chairman of the board of directors of the Company may also serve on the Remuneration Committee.
- 2.3 Appointments to the Remuneration Committee shall be made by the board and shall be for a period of up to three years, which may be extended by no more than two further periods of up to three years, provided the director still meets the criteria for membership of the Remuneration Committee.
- 2.4 The majority of members, apart from directors' fees and shareholdings, should be independent of management and free from any involvement which might significantly interfere with their ability to judge matters independently.
- 2.5 The Company Secretary shall be the committee secretary and proper minutes shall be kept of its proceedings which shall be circulated to members of the Remuneration Committee. Once approved, minutes shall then be circulated to all directors of the Company unless in the opinion of the chairman of the Remuneration Committee it would be inappropriate to do so. The committee secretary of the Remuneration Committee will ensure that the Remuneration Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues. Meetings of the Remuneration Committee shall be called by the committee secretary at the request of the chairman of the Remuneration Committee.
- 2.6 The members of the Remuneration Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.

### **3. Meetings**

- 3.1 Remuneration Committee meetings shall be held not less than three times a year and at such other times as the chairman of the Remuneration Committee shall think fit.
- 3.2 The quorum necessary for the transaction of business at a meeting shall be a majority of the directors serving on the Remuneration Committee which, in any case, shall never be less than two.
- 3.3 Unless otherwise agreed by all members of the Remuneration Committee, notice of each meeting, confirming the venue, time and date, together with an agenda of items to be discussed and all relevant papers, should normally be circulated to each member of the Remuneration Committee, to any other person required to attend, and to all other non-executive directors prior to the date of the meeting. Supporting papers shall be sent to members of the Remuneration Committee and to other attendees as appropriate, at the same time.
- 3.4 Only members of the Remuneration Committee have the right to attend meetings of the Remuneration Committee. However, the chief executive officer and/or finance director may attend meetings by invitation of the Remuneration Committee, without being members.
- 3.5 Although not a member of the Remuneration Committee, on occasion and for matters not related to himself, the chief executive may be invited to attend meetings of the Remuneration Committee and, in any event, shall be consulted by the Remuneration Committee on proposals relating to the remuneration of the other executive directors and of the senior executives of the group.

### **4. Chairman**

The members of the Remuneration Committee shall elect one of the members of the Remuneration Committee to act as chairman of the Remuneration Committee and he will be responsible for:

- (a) preparing the agenda;
- (b) the timely distribution of the agenda and any supporting papers;
- (c) reporting to the board on issues and decisions made;
- (d) attending and answering questions about the Remuneration Committee's work at the annual meeting of the stockholders; and
- (e) briefing any consultants retained to provide independent advice on market practice (and for which advice a budget should be provided, when necessary).

In the absence of the chairman of the Remuneration Committee and/or any appointed deputy, the members present shall select one of their number to chair the meeting. The chairman of the Company shall not be eligible to be appointed as chairman of the Remuneration Committee.

### **5. Remuneration**

'Remuneration' is not confined simply to salaries and bonuses. It now has a wider definition and includes pension arrangements, restricted stock units, restricted stock, share options, Share Save schemes, employees' share ownership schemes (ESOP's),

Funded Unapproved Retirement Benefit Schemes (FURBS) or other equity award and anything that is intended as 'pay' for any employee. It also includes fringe benefits e.g. Company cars, use of Company premises for living purposes and so on. Many of these matters will be covered in service agreements but the Remuneration Committee should determine not only the Company overall policy but also appropriate individual cases. Policy will also involve the purpose of objective of remuneration.

## **6. Authorisation**

- 6.1 The Remuneration Committee shall be authorised by the board to take such external advice as it shall consider appropriate to determine the remuneration, terms of equity awards, determination of the fair market value of the Company's stock, terms of service and incentives of the executive directors. This authority is subject only to the requirement that independent advice is sought at a reasonable cost commensurate with the matter under review. The Remuneration Committee shall be exclusively responsible for establishing the selection criteria for, selecting, appointing and setting the terms of reference for, any remuneration consultants who advise the Remuneration Committee.
- 6.2 The Remuneration Committee shall have no authority in relation to the remuneration of the non-executive directors.
- 6.3 The Remuneration Committee shall recommend to the board the approval of any valuation report received by the Company for the purpose of valuing the Company's equity, and the fair market value of the Company's equity.

## **7. Duties**

- 7.1 The Remuneration Committee shall have regard to and shall comply with the QCA Governance Code relating to remuneration committees or remuneration of directors, the Delaware General Corporation Law and shall also have regard to any authoritative best practice guidelines for remuneration committees published from time to time.
- 7.2 In respect of the Company and the group, as appropriate, the Remuneration Committee shall:
  - (a) have responsibility for setting a remuneration policy for all executive directors and such other members of the executive management as it is designated to consider. Such policy may, at the discretion of the board, be submitted for approval by stockholders. The board itself or, where required by the Company's Certificate of Incorporation or the Bylaws, the stockholders should determine the remuneration of the non-executive directors within the limits set in the Certificate of Incorporation or the Bylaws. No director shall be involved in any decisions as to their own remuneration;
  - (b) in determining the remuneration policy, take into account all factors which the Remuneration Committee deems necessary, including relevant legal and regulatory requirements, the provisions and recommendations of the QCA Governance Code and associated guidance, as well as the Delaware General Corporation Law;
  - (c) review and determine on behalf of the board specific remuneration and incentive packages for each of the Company's executive directors (including pension rights and any compensation payments) to ensure that the executive directors are fairly rewarded for their individual contributions to the Company's overall performance; the review of remuneration and incentive packages should be both

on appointment and on each occasion that changes to those packages are proposed;

- (d) recommend and monitor the level and structure of the remuneration and all other benefits of all executive directors and senior executives and managers;
- (e) in determining the remuneration and incentive packages of individual executive directors, the Remuneration Committee should:
  - (i) provide the packages needed to attract, retain and motivate executive directors of the quality required but should avoid paying more than is necessary for this purpose;
  - (ii) have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals;
  - (iii) review the ongoing appropriateness and relevance of the remuneration policy;
  - (iv) be aware of what comparable companies are paying and should take account of relative performance;
  - (v) have regard to pay and employment conditions elsewhere in the group;
  - (vi) include performance-related elements of remuneration as a significant proportion of the total remuneration packages; and
  - (vii) in designing schemes of performance related remuneration, follow the provisions in Schedule A to the QCA Governance Code on corporate governance;
- (f) make recommendations from time to time to the board on the introduction, variation or discontinuance of all forms of reward to the same persons, whether in case or kind and on the Company's framework of executive remuneration generally and its cost;
- (g) to exercise the power to take advice from any person it may deem necessary to help the Remuneration Committee to achieve their purpose and objectives;
- (h) make available its terms of reference, explaining clearly its role and the authority delegated to it by the board. Where remuneration consultants are appointed, a statement should be made available of whether they have any other connection with the Company;
- (i) for any share incentive plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, the Company Secretary and other designated senior executives and the performance targets to be used;
- (j) operate and administer the Company's share option and share incentive schemes in accordance with the respective rules thereof and any applicable legal requirements. The Remuneration Committee shall make recommendations to the board as to any adjustments to the terms of such schemes and as to proposals intended for submission to stockholders in relation to such schemes;
- (k) review the design of remuneration structures, levels of pay, incentives and fringe benefits;

- (l) be responsible for reporting to the Company's stockholders, on behalf of the board, in relation to remuneration policies applicable to the Company's executive directors, drawing attention to factors specific to the Company;
- (m) review procedures for the identification, training, remuneration and career development of all executives, senior and junior who aspire to and may be expected to hold the most senior posts with clear policies for their encouragement;
- (n) keep a watching brief over the Chairman's proposed remuneration and conditions of employment for senior executives of the group;
- (o) determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives;
- (p) ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (q) oversee any major changes in employee benefit structures throughout the Company or the Group;
- (r) agree the policy for authorising claims for expenses from the directors; and
- (s) work and liaise, as necessary, with all other board committees.

7.3 The Remuneration Committee shall also consider such other topics as are defined by the board from time to time.

References in these terms of reference to "senior executives of the group" shall mean any executive director of the Company.

## **8. Other matters**

The Remuneration Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to laws and regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes including but not limited to the provisions of the QCA Governance Code and the requirements of the UK Listing Authority's Listing Rules, Prospectus Rules, and Disclosure Guidance and Transparency Rules as well as guidelines published by the Association of British Insurers and the National Association of Pension Funds and any other applicable rules, as appropriate; and
- (d) arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

## **9. Reporting responsibilities**

- 9.1 Sufficient time should be allowed after meetings of the Remuneration Committee for the Remuneration Committee to report to the board on the nature and content of discussion, on recommendations and actions to be taken. The proceedings and resolutions of all meetings of the Remuneration Committee shall be minuted, including recording the names of those present and in attendance. Draft minutes of Remuneration Committee meetings shall be circulated promptly to all members of the Remuneration Committee and, once agreed, to all members of the board.
- 9.2 The chairman of the Remuneration Committee shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.3 The Remuneration Committee shall ensure that statutory provisions regarding disclosure of information, including pensions, in the Company's annual report and accounts are fulfilled and shall produce a report of the Company's remuneration policy and practices to be included in the annual report and ensure each year that it is put to stockholders for approval at the annual meeting of the stockholders. If the Remuneration Committee has appointed remuneration consultants, the annual report of the Company should identify those consultants and a statement should be made as to whether they have any other connection with the Company.
- 9.4 The Remuneration Committee shall make such recommendations to the board as it deems appropriate on any area within its remit where action or improvement is needed.
- 9.5 The chairman of the Remuneration Committee should be present at the Company's annual meeting of the stockholders to respond to questions on matters within the responsibility of the Remuneration Committee.
- 9.6 Through the chairman of the board, ensure that the Company maintains contact, as required, with its principal stockholders about remuneration.