

SCOUTCAM INC.
COMPENSATION COMMITTEE CHARTER

I. Purpose

The primary purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of ScoutCam Inc. (the “Company”) is to assist the Board in discharging its responsibilities with respect to: (i) the compensation of the Company’s Chief Executive Officer (“CEO”) and other executive officers; (ii) the administration of the Company’s executive compensation and benefits policies, plans and programs; and (iii) to the extent applicable, the production of an annual report on executive compensation for inclusion in the Company’s proxy statement.

II. Membership

The Committee shall be comprised of three or more members of the Board. To the extent necessary or advisable, a minimum of two Committee members (which need not be the same for purposes of the following clauses (i) and (ii)), shall qualify as: (i) “outside directors” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, and (ii) “non-employee directors” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. The members and the Chairman of the Committee (the “Chairman”) shall be appointed by the Board annually upon the recommendation of the Nominating and Corporate Governance Committee, or the Board if no such committee is in place, and shall serve at the pleasure of the Board until their successors shall be duly elected and qualified or until their earlier resignation or removal by the Board.

III. Meetings

The Committee shall meet at least three times annually, or more frequently as the Committee may determine. The Committee shall meet in executive session at least on an annual basis.

The Chairman or, in the event of the absence of the Chairman from any meeting, another member of the Committee designated by vote of the members in attendance at such meeting, shall chair all meetings of the Committee. The Chairman shall set the agenda of items to be addressed by the Committee at each meeting with input from the other members of the Committee. The Chairman shall report to the Board regularly on the Committee’s activities and actions and any matter of material concern to the Company which relates to the Committee’s duties and responsibilities herein, including at the first Board meeting following any Committee meeting.

The Committee shall keep regular minutes of its meetings and report the same to the Board from time to time and upon request.

IV. Duties and Responsibilities

The Committee shall have and may exercise the powers of the Board in matters relating to the following duties and responsibilities, to the fullest extent permitted by law:

- A. Compensation of Executive Officers. The Committee is responsible for determining the compensation of the Company's CEO and the other executive officers of the Company. This responsibility includes:
- (1) Establishing performance goals and objectives on an annual basis for the CEO and other executive officers and evaluating the performance of such persons in light of the approved goals and objectives.
 - (2) Setting compensation levels, including salary and bonus potential, for the CEO and other executive officers, in the case of the CEO, presenting such determinations to the Board for its ratification, and approving bonus awards, stock options and other equity grants for the CEO and other executive officers. Neither the CEO nor any other executive officer may be present during the deliberations or voting on such person's own compensation.
 - (3) Reviewing the results of shareholder advisory votes regarding executive compensation (if any).
- B. Compensation and Benefits Policies, Plans and Programs: The Committee shall lead in developing and administering compensation and benefits policies, plans and programs for executive officers, subject to the following guidelines:
- (1) Policies, plans and programs include those that provide for incentive compensation, supplemental retirement compensation, severance and change-in-control compensation and other compensation and benefits for executive officers.
 - (2) The Committee may develop and adopt new executive compensation and benefits policies, plans or programs or amend existing executive compensation and benefits policies, plans or programs, in each case including equity incentive plans and programs, and shall present material policies, plans and programs or amendments thereto to the Board for its review and approval.
 - (3) The Committee shall approve executive employment and severance arrangements and other compensatory and change-in-control arrangements for executive officers.
- C. Executive Compensation Disclosure and Annual Reporting: To the extent applicable, the Committee shall review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") disclosure for the Company's annual proxy statement and, based on its review and discussions, may recommend to the Board that the CD&A be included in the Company's annual proxy statement. To the extent applicable, the Committee shall also produce annually a report on executive compensation to be included in the Company's proxy statement in accordance with applicable rules and regulations.
- D. Other Committee Authority. The Committee shall also have the following other duties:

- (1) The Committee shall administer the Company's equity incentive plans and programs and approve awards thereunder.
- (2) The Committee shall review and recommend to the Board compensation arrangements for non-employee members of the Board, and shall approve annual compensation in accordance with the arrangements approved by the Board. No member of the Committee shall act to fix his or her own compensation except for uniform compensation to directors for their services as directors.
- (3) The Committee shall review and approve the setting of compensation levels for senior employees whose compensation is not otherwise determined by the Committee to the extent the Committee deems such review and approval to be necessary or appropriate.
- (4) The Committee shall make recommendations to the Board with respect to the adoption of new employee benefit plans and new equity incentive plans and programs when Board approval of such plans or programs is required or desirable.
- (5) The Committee shall discharge the responsibilities of the Committee under applicable rules and regulations.
- (6) The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- (7) The Committee shall annually review and evaluate the performance of the Committee, including compliance by the Committee with this Charter.
- (8) The Committee shall evaluate risks associated with the Company's compensation and benefits policies, plans and programs and discuss with management procedures to identify and mitigate such risks.
- (9) The Committee shall perform any other activities consistent with this Charter, and the Company's Bylaws and Articles of Incorporation, as the Committee may deem necessary or appropriate for the fulfillment of its responsibilities under this Charter or as required by any applicable requirements of The Nasdaq Stock Market LLC ("Nasdaq"), the Securities and Exchange Commission and any other legal or regulatory requirements, or as may be determined by the Board.
- (10) The Committee shall do every other act incidental to, arising out of or in connection with, or otherwise related to, the authority granted to the Committee hereby or the carrying out of the Committee's duties and responsibilities hereunder.

Notwithstanding any of the foregoing, the legal liability of any of the Committee members shall be no greater than that of other members of the Board. The Committee may delegate authority granted hereunder, to the extent permitted under applicable law and any applicable requirements of Nasdaq, to a subcommittee of the Committee, management or any executive officer in order to ensure compliance with legal and regulatory obligations, to ensure timely decision-making or for other purposes. Delegation to executive officers or management may only occur with respect to matters affecting employees other than the person to whom authority is delegated and other than the CEO.

V. Committee Resources and Advisors

The Committee shall have the authority, at the expense of the Company, to retain and determine the compensation for, such compensation consultants, independent legal counsel or other advisers (each, a “compensation adviser”) as it shall deem necessary or appropriate in its sole discretion in the performance of its duties, without Board or management approval. Prior to selecting any compensation adviser, the Committee shall take into consideration the following factors:

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

The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, for the payment of compensation to compensation advisers. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation adviser.

Last Updated – May 2022