

## **CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF**

### **POLYRIZON LTD**

The Board of Directors (the “Board”) of Polyrizon Ltd. (the “Company”) has constituted and established a Compensation Committee (the “Committee”) with the authority, responsibility and specific duties as described in this Compensation Committee Charter (this “Charter”). This Charter does not derogate from nor supersede, and instead will be read in conjunction with, the terms set forth in the Company’s Compensation Policy for Executive Officers and Directors (the “Compensation Policy”), as in effect from time to time and adopted in accordance with the requirements set forth in the Israeli Companies Law, 5759-1999 (the “Israeli Companies Law”). If any term of this Charter contradicts the requirements under the Israeli Companies Law relating to the Compensation Policy, or the Compensation Policy itself, then the terms of the Israeli Companies Law and the Compensation Policy will prevail. As used herein, the term “office holders” (as such term is defined in the Israeli Companies Law) shall be deemed to include officers covered in Rule 16a-1(f) under the Securities and Exchange Act of 1934, as amended (the “Act”). Nothing herein is intended to expand applicable standards of liability under Israeli or U.S. federal law for directors of a corporation.

#### **Purpose**

The Committee is established for the following purposes:

- Assist the Board in fulfilling its responsibilities relating to the compensation of the Company’s directors, Chief Executive Officer (“CEO”) and other “office holders” (as such term is defined in the Israeli Companies Law); and
- Assist the Board to administer the Company’s equity compensation plans, as in effect from time to time.

The Committee shall seek to ensure that the Company structures its compensation plans, policies and programs to attract and retain the best available personnel for positions of substantial responsibility with the Company, to provide incentives for such persons to perform to the best of their abilities for the Company and to promote the success of the Company.

#### **Membership**

The Committee will consist of at least two members of the Board. Subject to any available exemptions under Israeli law and to the extent that external directors, within the meaning of the Israeli Companies Law (“External Directors”), serve on the Board, (i) the Committee will include all of the Company’s External Directors; (ii) the External Directors must constitute a majority of the members of the Committee; and (iii) each Committee member that is not an External Director must be a director whose compensation does not exceed an amount that may be paid to an External Director under regulations promulgated under the Israeli Companies Law. Subject to any available exemptions of the Securities and Exchange Commission (“SEC”) or The NASDAQ Stock Market LLC (“Nasdaq”), members of the Committee must meet the independence requirements of the

Nasdaq rules. The members of the Committee shall be appointed by, serve at, and may be removed at the discretion of the Board. Subject to any available exemptions under Israeli law, each member must be eligible to serve as a compensation committee member in accordance with the Israeli Companies Law. Subject to any available exemptions under Israeli law, the Board shall designate one of the External Directors (if any serve on the Board) as the Committee's chairperson.

### **Meetings and Procedures**

The Committee has the authority to set its own schedule of meetings and will meet at least once a year and thereafter as it deems necessary or appropriate. Notices of Committee meetings and the agenda shall be provided to its members a reasonable time prior to the meeting. Committee meetings may be held via any means of communication (conference telephone, video conference or similar communications equipment) so long as all members participating in such meeting can hear one another, and such participation shall constitute presence in person in such meeting. The quorum for a Committee meeting and the majority required for the approval of any resolution shall be at least a majority of the Committee's members. The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board at the Company's offices (or such other address in Israel notified by the Company to the Israeli Registrar of Companies) for a period of at least seven years from the date of the meeting. The Committee may adopt any resolution by written consent of all of its members. The Committee shall report its minutes of meetings to the Board and any action taken or approved or recommended by the Committee. Resolutions or recommendations of the Committee that are subject to Board approval must be submitted to the Board a reasonable time prior to the Board's meeting with respect thereto.

Subject to any available exemptions under Israeli law, a person that is not eligible to serve as a compensation committee member in accordance with the Israeli Companies Law may not be present during deliberations or voting at Committee meetings, unless the Committee's chairperson has determined that such person's presence is necessary to present a certain matter to the Committee, except that (i) an employee of the Company who is not the controlling shareholder or the controlling shareholder's "relative" (as such term is defined in the Israeli Companies Law) may be present during Committee discussions, provided that the employee is not present during the voting; and (ii) the Company's legal counsel and secretary who are not the controlling shareholder or the controlling shareholder's "relative" (as such term is defined in the Israeli Companies Law) may be present during discussions and voting at Committee meetings, in each case if requested by the Committee. The CEO may not be present during deliberations or voting on matters relating to his or her compensation.

Subject to applicable law, the Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate. The Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Committee as a whole.

### **Authority and Responsibilities**

To the extent required by applicable law or otherwise deemed necessary or appropriate, the Committee shall have the power and authority of the Board to perform the duties and to fulfill the

responsibilities detailed below. The Committee's approval of any matter below shall not derogate from the requirements of the Israeli Companies Law and regulations thereunder pursuant to which approval of the Board and, in certain cases, the Company's shareholders is required for certain acts or transactions, and under such circumstances the Committee's approval shall constitute only a recommendation to any such body.

#### *Compensation Policy*

- Recommend to the Board whether the then-current Compensation Policy that has a term of greater than three years should continue in effect (approval of either a new Compensation Policy or the continuation of an existing Compensation Policy must in any case occur every three years).
- Periodically assess the implementation of the Compensation Policy and recommend to the Board periodic updates to the Compensation Policy.

#### *Approval of Officer and Director Compensation*

- Review and approve corporate goals and objectives relevant to the compensation of the CEO and other "office holders" (as defined in the Israeli Companies Law), consistent with the Compensation Policy, evaluating annually the performance of the CEO and other "office holders" (as defined in the Israeli Companies Law) in light of such goals and objectives, and determining the compensation of the CEO and other "office holders" (as defined in the Israeli Companies Law") based on such evaluation.
- Determine whether to approve transactions regarding the terms of employment and service of the Company's directors, CEO and other "office holders" (as defined in the Israeli Companies Law), to the extent required under the Israeli Companies Law and regulations thereunder.
- Determine whether to exempt from the requirement for shareholder approval of the terms of employment and compensation of a candidate for CEO, subject to and in compliance with the Israeli Companies Law and regulations thereunder.

#### *Incentive and Equity-Based Compensation Plans*

- Subject to applicable law, administer the Company's equity incentive plans. In its administration of the plans, the Committee may, pursuant to authority granted by the Company's equity incentive plans to the Committee and subject to applicable law, review and recommend to the Board for approval (i) the award of options or other equity-based compensation to individuals eligible for such grants and (ii) amendments to such options or equity-based compensation awards; provided that, unless required by applicable law or stock exchange rule, the Board may resolve to award options or other equity-based compensation or make amendments to such options or equity-based compensation awards without the prior review, approval or recommendation of the Committee. The Committee may also make recommendations to the Board with respect to amendments to the Company's equity incentive plans and changes in the number of shares reserved for

issuance thereunder; provided that, unless required by applicable law or stock exchange rule, the Board may resolve to amend the Company's equity incentive plans and make changes in the number of shares reserved for issuance thereunder without the prior approval or recommendation of the Committee.

- Oversee the Company's overall compensation plans and benefits programs by reviewing management reports with respect thereto on at least an annual basis. The Committee shall also make recommendations to the Board with respect to improvements or changes to such plans or the adoption of new plans when appropriate.
- Consider at least annually whether risks arising from the Company's compensation plans and benefits programs for its employees are reasonably likely to have a material adverse effect on the Company, including whether such plans and programs encourage excessive or inappropriate risk taking.

#### *Investigations and Studies; Outside Advisers*

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent legal counsel or other consultants or advisers as it deems necessary and appropriate, including compensation consultants to advise the Committee with respect to amounts or forms of executive or director compensation, and may rely on the integrity and advice of any such counsel or other advisers. It is the Committee's intention that any compensation consultant engaged to advise the Committee with respect to executive and director compensation will not engage in work for the Company that is unrelated to executive and director compensation advisory services without prior approval of the Committee chairperson.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such compensation consultant, legal counsel and other adviser retained by the Committee. The Company shall provide for appropriate funding, as determined by the compensation committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the compensation committee. The Committee shall have sole authority to approve related fees and retention terms.

The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:

- The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

- Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- Any shares of the Company owned by the compensation consultant, legal counsel or other adviser; and
- Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with a member of senior management.

Notwithstanding the foregoing, the Committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K promulgated by the SEC: (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or (b) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

In addition to the authority and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purposes of the Committee, the Articles of Association and applicable Nasdaq rules.

#### *Compliance and Governance Issues*

- Prepare a report of the Committee, if required, to be included in the Company's applicable filings with the SEC.
- Review and reassess the adequacy of this Charter periodically, and no less than on an annual basis, and recommend any proposed changes to the Board for approval.
- Review annually the performance of the Committee.
- Perform such other activities and functions as are required by applicable law, stock exchange rules or provisions in the Company's charter documents, or as are otherwise necessary and advisable, in its or the Board's discretion, for the efficient discharge of its duties.

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As Adopted: \_\_\_\_\_, 2022