

NANO-X IMAGING LTD

COMPENSATION COMMITTEE CHARTER

The board of directors (the “Board”) of NANO-X IMAGING 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 Office Holders (the “Compensation Policy”), to be recommended to the Board by the Committee, as applicable, and adopted by the Board and the Company’s shareholders in accordance with the requirements set forth under the Israeli Companies Law, 5759-1999, and the regulations promulgated thereunder, as may be amended from time to time (the “Companies Law”). If any term of this Charter contradicts the requirements under the Companies Law relating to the Compensation Policy, or the Compensation Policy itself, then the terms of the Companies Law and the Compensation Policy, as applicable, will prevail.

PURPOSE

The purpose of the Committee is to assist the Board in fulfilling its responsibilities related to the compensation of the Company’s directors, chief executive officer and other “office holders” (as defined under the Companies Law); to assist the Board in administering the Company’s equity incentive plans; to produce appropriate reports on executive compensation for public disclosure, including, to the extent required, under applicable securities laws, the rules and regulations promulgated by the U.S. Securities and Exchange Commission (the “SEC”) and the Companies Law, or as otherwise deemed advisable by the Board; and to make such other determinations in respect of compensation, compensation practices and related matters pursuant to the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), the rules of Nasdaq Capital Market and the Companies Law.

The purposes and further provisions specified in this Charter are meant to serve as guidelines, are subject to applicable law, and the Committee is delegated the authority to adopt such additional procedures and standards as it deems necessary or advisable from time to time to fulfill its responsibilities. Unless otherwise prescribed in this Charter, the Articles of Association of the Company or applicable law, the rules and procedures applicable to the operation of the Board shall apply to the operation of the Committee with any necessary changes. Nothing herein is intended to expand applicable standards of liability under Israeli or U.S. federal law for directors of a corporation.

MEMBERSHIP

The Committee shall be comprised of at least three (3) members of the Board. The Board shall appoint the Committee members annually and each member of the Committee shall serve at the pleasure of the Board and may be removed or replaced by the Board at any time with or without cause. Resignation or removal of a director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from this

Committee. The Board may fill vacancies occurring, for whatever reason. All rights available to members of the Committee in their capacities as directors of the Company shall be fully applicable with respect to their service on the Committee or any subcommittee thereof. Unless the Board designates a chair, the members of the Committee may appoint a chair of the Committee (the “Committee Chair”).

Notwithstanding the foregoing, (A) the Chairman of the Board; (B) any director employed by or otherwise regularly providing services to the Company or to a Controlling Shareholder (as such term is defined under the Companies Law) or any entity controlled by a Controlling Shareholder of the Company; (C) any director whose livelihood is dependent upon any Controlling Shareholder; or (D) a Controlling Shareholder of the Company or his/her Relatives (as defined in the Companies Law), may not serve on the Committee.

Each member of the Committee shall be independent as defined under applicable law, including Rule 10C-1(b)(1) under the Exchange Act, and the rules of Nasdaq Capital Market, except as otherwise permitted under such rules.

AUTHORITY & RESPONSIBILITIES

The authority delegated to the Committee is set forth below. This description of authority is intended as a guide and the Committee may act and establish policies and procedures that are consistent with these guidelines or are necessary or advisable, in its discretion, to carry out the intent of the Board in delegating such authority and to fulfill the responsibilities of the Committee hereunder. In certain cases, approval of the Board and shareholders will also be required under applicable law. The Committee is hereby charged by the Board with the authority and responsibility to:

1. Recommend to the Board for its approval a Compensation Policy in accordance with the requirements of the Companies Law and subsequently review from time to time, as well as other compensation policies, incentive-based compensation plans and equity-based compensation plans, as applicable (collectively, the “Compensation Plans and Policies”).
2. Oversee the development and implementation of the Compensation Plans and Policies in light of all relevant circumstances and recommend to the Board any periodic amendments or modifications to the Compensation Plans and Policies that the Committee deems appropriate, including as required under the Companies Law, and whether the Company’s then-current Compensation Plans and Policies should continue in effect, if the then-current policy has a term of greater than three years (approval of either a new Compensation Policy or the continuation of an existing Compensation Policy must in any case occur every three years), and assess implementation of the Compensation Plans and Policies.
3. Assist the Board in discharging its responsibilities relating to (i) the compensation of the Company’s directors, chief executive officer and other executive officers and (ii) the overall Company’s compensation programs.
4. Approve and recommend to the Board for its approval: (i) the amount and form of compensation and equity-based plan awards to be granted to the Company’s chief

executive officer; and (ii) the amount and form of compensation and equity-based plan awards to be granted to other executive officers of the Company.

5. Establish annual goals and objectives to the Company's chief executive officer's and other executive officers' performance, which shall be reviewed at least annually and which shall including, among others, a link of the compensation to the performance of the Company, and approve that these are consistent with the then-effective Compensation Policy.
6. Approve transactions regarding office holders' compensation that include employment or retention terms pursuant to Sections 272, 273, and 275 of the Companies Law.
7. Exempt the terms of employment and compensation of a prospective Company's chief executive officer from the approval of the general meeting of the Company's shareholders if the required conditions therefor are met under Section 272(c)(1)(3) of the Companies Law.
8. Administer, subject to applicable law, the Company's equity-based compensation plans, including without limitation to review and, subject to applicable law, recommend for Board approval, the adoption of such plans, to amend and interpret such plans and the awards and agreements issued pursuant thereto including reservation of shares for issuance thereunder, and to review and, subject to applicable law, recommend for Board approval, granting awards to eligible persons under the plans and determine the terms of such awards.
9. Review, periodically, evaluate and make recommendations to the Board regarding the compensation and benefits for the Company's non-employee directors, taking into account the Compensation Plans and Policies.
10. Oversee compliance with the compensation reporting requirements of the SEC to the extent applicable and applicable stock exchange rules to the extent applicable or to the extent the Committee determines that disclosures are desirable even if not required.
11. Determine whether to recommend that the Board adopt a share ownership policy for directors and executive officers.
12. Select, engage, compensate and terminate compensation consultants, legal counsel, financial advisors and such other advisors as it deems necessary and advisable to assist the Committee in carrying out its responsibilities and functions as set forth herein and to authorize such persons fees without the Board's approval (subject to applicable limitations set forth by the Companies Law and the rules of Nasdaq Capital Market). The compensation paid to such persons and related expenses will be borne by the Company and the Company will make funding available to the Committee for such purposes. Prior to selecting consultants, legal counsel, financial advisors or such other advisors other than in-house legal counsel as it deems necessary and advisable, the Committee must consider the following factors:

- a. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- b. 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;
- c. 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;
- d. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- e. any ordinary shares of the Company owned by the compensation consultant, legal counsel or other adviser; and
- f. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with office holders of the Company.

None of the above independence criteria shall: (a) require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, independent legal counsel or other advisor to the Committee; or (b) affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of the duties of the Committee.

Nothing in this section requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the Committee considers the enumerated independence factors before selecting, or receiving advice from, a compensation adviser. The Committee may select, or receive advice from, any compensation adviser it prefers, including ones that are not independent, after considering the six independence factors outlined above. Furthermore, none of the above criteria needs to be considered by the Committee in retaining an advisor who only provides (i) 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 of the Company; or (ii) information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant.

13. Perform such other activities and functions as are required by law, applicable stock exchange rules or provisions in the Company's articles of association, or as are otherwise necessary and advisable, in its or the Board's discretion, to the efficient discharge of its duties hereunder.

In carrying out its responsibilities, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Committee may consult. The

Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Committee, attend a meeting of the Committee or meet with any members of or advisors to the Committee.

Subject to applicable law, the Committee may delegate its authority to subcommittees established from time to time by the Committee. Such subcommittees shall consist of one or more members of the Committee and shall report to the Committee.

MEETINGS

The Committee shall meet as often as it determines necessary or as requested under the provisions of the Companies Law in person or by teleconference (using telephone or other communications equipment) by means of which all persons participating in the meeting can hear each other but no less than once each fiscal year. The Committee Chair may call Committee meetings and, in consultation with other Committee members, shall determine the frequency and length of Committee meetings and shall set agendas for such meetings consistent with this Charter. In the absence of a Committee Chair, a majority of the members of the Committee may call a meeting of the Committee.

A majority of the total number of then-serving members of the Committee shall constitute a quorum. The approval of a majority of such quorum shall constitute a valid act of the Committee at a duly held Committee meeting. The Committee may also act by unanimous written consent of the then-serving members of the Committee. Notwithstanding the foregoing, the chief executive officer of the Company may not be present during voting or deliberations on his or her compensation.

The Committee may ask members of management or others to attend meetings and provide pertinent information, as necessary. Notwithstanding the foregoing, (1) any person who is, pursuant to the Companies Law, forbidden from serving as a member of the Committee, shall not be present at any meeting of the Committee (during its discussions or its decision making), unless the Committee Chair has determined that such person is required during the presentation of a certain topic to the Committee, provided, however, that an employee of the Company, who is not a Controlling Shareholder or Relative thereof, is permitted to be present for the discussions, but not the decision making, that take place at a meeting, and provided, further, that the Company's legal counsel and the Company's secretary, who are not Controlling Shareholders or Relatives thereof, are permitted, if the Committee so requests, to be present at a meeting (during discussions and/or decision making), and (2) the chief executive officer shall also not be present during voting or deliberations on his or her compensation.

MINUTES & REPORTS

The Committee shall maintain written minutes of its meetings. In addition, the Committee will apprise the Board regularly of its decisions and recommendations and of significant developments in the course of performing the above responsibilities and duties. Without derogating from the aforesaid, the Committee shall submit any recommendation or

resolution which is subject to Board approval a reasonable time prior to the contemplated Board meeting.

PERIODIC REVIEW

The Committee will periodically review its own performance and report on its conclusions in this regard to the Board. In connection with the annual review, the Committee shall also recommend to the Board any modifications to this Charter that the Committee deems necessary or appropriate. The format of the self-assessment shall be determined by the Committee.

INTERPRETATION; DEFINITIONS

To the extent any of the provisions included herein is a description or summary of any applicable law or is intended to recite the provisions of any applicable law, then in the event of any inconsistency, contradiction or any other conflict between the provisions herein and the provisions of such applicable law, then the provisions of such applicable law shall prevail and supersede and shall be deemed to constitute an integral part of this Charter. In the event that any such provision of applicable law is amended to include any relief or exclusion, then, such relief and exclusions shall be deemed to constitute an integral part of this Charter, whether or not such conflict, inconsistency or contradiction arises.

Any references to any law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to “law” shall include any supranational, national, federal, state, local, or foreign statute or law and all rules and regulations promulgated thereunder (including, any rules, regulations or forms prescribed by any governmental authority or securities exchange commission or authority); and any reference to “law” shall be read subject to the Company’s articles of association, as amended from time to time.
