

NON-EXECUTIVE DIRECTOR REMUNERATION POLICY

BrainChip Holdings Ltd ("Company")

1. PURPOSE

- 1.1 The Company is committed to responsible and transparent processes for remunerating its people. This includes adopting effective remuneration governance framework(s) and developing remuneration policies and practices consistent with such framework(s).
 - 1.2 The Remuneration & Nomination Committee (Committee) of the Board of Directors (Board) is responsible for annually reviewing the compensation of the Chairman of the Board and other non-executive directors (NEDs), in accordance with the Remuneration & Nomination Charter adopted by the Company.
 - 1.3 This policy (**Policy**) seeks to document the Company's approach to setting the quantum and elements of remuneration for non-executive director (NED) roles.
 - 1.4 The aim of this Policy is to enable the Company to attract, retain and motivate the high calibre of NEDs required to adhere to high levels of corporate governance and to align their interests with the creation of value for shareholders and the Company's purpose, values, strategic objectives, and risk appetite.
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2. OVERRIDING INTENT

- 2.1 It is the Company's intention to observe:
 - 2.1.1 high ethical standards,
 - 2.1.2 the laws of the countries in which the NEDs reside, and
 - 2.1.3 good corporate governance.
 - 2.2 The views of stakeholders will also be considered in seeking to remunerate NEDs in a reasonable way, including taking into account the perspectives of shareholders and the NEDs themselves.
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3. TO WHOM THIS POLICY APPLIES

- 3.1 This Policy is intended to guide the setting of remuneration for the following roles:
 - 3.1.1 Board Chair,
 - 3.1.2 Other NEDs,
 - 3.1.3 Committee Chairs, and
 - 3.1.4 Committee members.
 - 3.2 It does not cover executive roles or other service providers to the Company.
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4. REMUNERATION FOR NON-EXECUTIVE DIRECTORS

- 4.1 The maximum aggregate level of remuneration, inclusive of superannuation entitlements, of non-executive Directors (“Cash Remuneration Pool”) is the subject of shareholder resolution in accordance with the Company’s constitution, the ASX Listing Rules and the Corporations Act (as applicable).
- 4.2 The total amount of remuneration payable to NEDs in any financial year shall not exceed the Cash Remuneration Pool approved by shareholders for such purposes.
- 4.3 The apportionment of NED remuneration within that Cash Remuneration Pool will be made by the Board, including having regard to recommendations by the Committee, industry benchmarking, professional advice (as appropriate), market norms, and the inputs and value to the Company of the respective contributions by each non-executive Director.
- 4.4 The availability of the Pool does not imply that the Pool needs to be exhausted when setting remuneration for NEDs.
- 4.5 In considering non-executive directors’ remuneration, the Committee and the Board need to ensure that incentives for NEDs do not conflict with their obligations to bring independent and objective judgement to matters before the Board.

5. ELEMENTS OF REMUNERATION

- 5.1 NED remuneration may be composed of the following elements:
 - 5.1.1 Board fees,
 - 5.1.2 Committee fees,
 - 5.1.3 Superannuation contributions,
 - 5.1.4 Other benefits (if applicable), and
 - 5.1.5 Grants of Company equity.
- 5.2 Facilities such as directors’ insurance, expense reimbursements and parking provided to NEDs will not be counted as part of remuneration.
- 5.3 On the recommendation of the Committee, the Board may award additional remuneration to NEDs called upon to perform extra services or make special exertions on behalf of the Company.

6. SUPERANNUATION INCLUSIVE REMUNERATION

Board and committee fees shall be expressed as inclusive of company superannuation contributions. This ensures that the remuneration levels received by different NEDs are not affected by the extent, if any, to which the Company is obliged to make superannuation contributions for the NED.

7. TERMINATION BENEFITS

Termination benefits other than those accrued through superannuation contributions will not

be provided to NEDs. This Policy recognises the guideline contained in Principle 8 of the ASX Corporate Governance Council's publication Corporate Governance Principles and Recommendations.

8. NED MINIMUM SHAREHOLDING

A NED shall establish and hold a Minimum Shareholding based on 1 year of the NED base cash remuneration (including superannuation if applicable but excluding any compensation received for work undertaken on any committees or as Chair of the Board) (NED Minimum Shareholding Policy).

For the purposes of the NED Minimum Shareholding Policy, a Share is a fully paid ordinary share or any other equity instrument or right awarded to an NED in the Company.

Each NED is required to meet this NED Minimum Shareholding threshold within a 3-year period from the date the NED Minimum Shareholding policy is approved by the Board or, if appointed after the date the NED Minimum Shareholding Policy is approved, from the date the NED is appointed to the Board.

A NEDs shareholding shall be assessed annually at the end of each calendar year.

The pricing formula for calculating whether the NED Minimum Shareholding has been met is the 60-day volume weighted average price of the Company's shares calculated at the end of each calendar year (November and December).

Once the NED Minimum Shareholding is reached by an NED it must be maintained for the period of the appointment as an NED.

All compliance determinations relating to the NED Minimum Shareholding threshold (including 'top ups' where necessary) be delegated to the Nominations and Remuneration Committee for determination.

9. REGOGNITION OF WORK VARIANCES

It is recognised that the Board Chair and members of committees undertake additional board work to that undertaken by NEDs who are not members of committees. Accordingly, the Board Chair, Committee Chairs and Committee members may be paid additional remuneration (relative to other NEDs who do not fulfil these functions). The additional remuneration will take account of the additional work typically required of the role and comparable market remuneration practices.

10. NED PERFORMANCE CRITERIA

NEDs are held accountable against performance criteria which include:

- 10.1.1. demonstrating a clear understanding of their fiduciary duties to the Company and its shareholders;
- 10.1.2. effectively overseeing the financial performance of the Company;
- 10.1.3. providing independent oversight, free of any undue influence;
- 10.1.4. remaining well-informed about the company's risk profile and the steps being taken to mitigate risks;
- 10.1.5. demonstrating commitment and engagement in board activities;
- 10.1.6. actively participating in the development and review of the Company's strategic plans;
- 10.1.7. actively contributing to Board discussions and debates, fostering a culture of open and constructive dialogue; and
- 10.1.8. remaining vigilant about compliance with laws, regulations, and ethical standards.

Performance is assessed via annual peer and self-assessment, together with an evaluation of board practices and knowledge.

The Board considers its composition and performance against the listed performance criteria annually.

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12. ANNUAL REVIEW & REPORTING

- 12.1 The Committee will review annually the compensation of the Chairman of the Board and other NEDs to determine whether:
 - 12.1.1 An increase in fees should be considered; and/or
 - 12.1.2 A market benchmarking review should be undertaken.
- 12.2 The Company will transparently report on its remuneration policy and approach in

respect to all NEDs in the remuneration report issued as part of the Company's Annual Report in compliance with the Corporations Act and the ASX Listing Rules.

This Policy was adopted by the Board effective 22 February 2023 and amended 22 September 2023 and 07 December 2023.