

Executive Compensation and Governance Policy

Nexus Intelligent Systems, Inc.

1. PURPOSE AND SCOPE

1 This Executive Compensation and Governance Policy ("Policy") establishes the comprehensive framework for compensation, performance evaluation, and governance standards for executive leadership at Nexus Intelligent Systems, Inc. (the "Company").

2 The Policy applies to all executive officers, including the Chief Executive Officer, Chief Technology Officer, and other C-suite executives, and is designed to align executive compensation with corporate strategic objectives and shareholder value creation.

2. COMPENSATION PHILOSOPHY

1 Compensation Objectives

- Attract and retain top-tier executive talent in the enterprise AI and technology services sector
- Create direct alignment between executive compensation and company performance
- Provide competitive total compensation packages that reflect market benchmarks
- Incentivize long-term strategic growth and sustainable business development

2 Compensation Components

Executive compensation shall consist of the following primary elements:

- a) Base Salary
- b) Annual Performance Bonus
- c) Equity Compensation
- d) Long-Term Incentive Plans
- e) Benefits and Perquisites

3. COMPENSATION STRUCTURE

1 Base Salary

- Determined annually based on individual performance, market comparables, and company financial performance
- Subject to annual review by the Compensation Committee

- Adjusted to maintain competitiveness within the enterprise technology sector

2 Annual Performance Bonus

- Targeted at 30-50% of base salary
- Tied to specific, measurable corporate and individual performance metrics
- Performance metrics shall include:
 - i. Revenue growth
 - ii. Profitability targets
 - iii. Strategic initiative completion
 - iv. Customer satisfaction scores
 - v. Innovation and product development milestones

3 Equity Compensation

- Stock option and restricted stock unit (RSU) grants
- Four-year vesting schedule with one-year cliff
- Performance-based equity awards contingent on achieving specific corporate milestones

4. GOVERNANCE OVERSIGHT

1 Compensation Committee

- Composed of independent board members
- Responsible for:
 - i. Designing compensation strategies
 - ii. Conducting annual compensation reviews
 - iii. Ensuring compliance with regulatory requirements
 - iv. Mitigating potential conflicts of interest

2 Annual Review Process

- Comprehensive performance evaluation conducted annually
- 360-degree feedback mechanism
- External compensation benchmarking
- Detailed documentation of performance and compensation decisions

5. COMPLIANCE AND DISCLOSURE

1 Regulatory Compliance

The Company shall ensure full compliance with:

- Securities and Exchange Commission (SEC) disclosure requirements
- Sarbanes-Oxley Act governance standards
- Internal Revenue Code executive compensation regulations

2 Transparency

- Annual disclosure of executive compensation in proxy statements
- Detailed reporting of compensation rationale
- Shareholder advisory vote on executive compensation

6. CLAWBACK AND FORFEITURE PROVISIONS

1 Financial Restatement Clawback

In the event of a material financial restatement, the Company reserves the right to recover incentive-based compensation from executive officers.

2 Misconduct Provisions

Executives may forfeit unvested equity and be required to repay previously received compensation in cases of:

- Fraudulent activity
- Material breach of fiduciary duty
- Violation of company code of conduct

7. AMENDMENT AND MODIFICATION

1 The Board of Directors reserves the right to modify, amend, or terminate this Policy at any time, subject to applicable legal requirements and contractual obligations.

8. EFFECTIVE DATE

1 This Policy is effective as of January 22, 2024, superseding all prior compensation and governance policies.

Approved by the Board of Directors

Nexus Intelligent Systems, Inc.

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Dr. Elena Rodriguez

Chief Executive Officer

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Date of Execution