



HUB CYBER SECURITY LTD.
Corporate Governance Guidelines

The Board of Directors (the “Board”) of Hub Cyber Security Ltd. (together with its subsidiaries, the “**Company**”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its shareholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Amended and Restated Articles of Association (as may be amended from time to time, the “Articles”) and other corporate governance documents, and in the event of any conflict between all applicable laws, the Articles or other corporate governance documents and these Guidelines, the applicable laws, the Articles and other corporate governance documents shall supersede these Guidelines. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its shareholders or as required by applicable laws and regulations.

1 THE BOARD

1.1 Size of the Board

The Articles provide that the Board shall consist of up to eleven (11) directors.

1.2 Independence of the Board

Except as otherwise permitted by the applicable rules of the Nasdaq Stock Market LLC (“**Nasdaq**”), the Board will be **comprised of a majority of directors who qualify as independent directors (the “Independent Directors”)** as required under Nasdaq rules.

1.3 Separate Sessions of Independent Directors

The Independent Directors will meet in executive session without non-Independent Directors or management present on a regularly scheduled basis, but no less than twice per year.

1.4 Director Qualification Standards and Additional Selection Criteria

The Nominating, Governance, Compliance and Sustainability Committee of the Board (the “**Governance Committee**”), in recommending director candidates, and the Board, in nominating director candidates, will evaluate candidates in accordance with the minimum criteria standards set forth in Attachment A to these Corporate Governance Guidelines.

1.5 Selection of New Directors

The Board is divided into three (3) classes. As a result, approximately one-third (1/3) of the Board will stand for election by the shareholders of the Company each year at the Company’s annual meeting for three (3) year terms. Each year, at the annual meeting, the Board will recommend a slate of directors for election by the shareholders. In accordance with the Articles, the Board will also be responsible for filling vacancies or newly-created directorships on the Board that may occur between annual meetings of shareholders. The Governance Committee is primarily responsible for identifying, screening and recommending candidates to the entire Board for Board membership.



1.6 Director Orientation and Continuing Education

Management will provide an orientation process for new directors, including background material on the Company and its business. As appropriate, management will provide opportunities for additional educational sessions for directors on matters relevant to the Company and its business.

1.7 Service on Other Boards

The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such activities. However, the Governance Committee may take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors. Prior to accepting any position on the board of directors of any organization, whether for-profit or not-for-profit, current directors should notify the Chair of the Governance Committee and the Company's Chief Legal, Compliance and Data Protection Officer. The Chair of the Governance Committee shall review the proposed board membership to ensure compliance with applicable laws and policies.

Service on other boards and/or committees should be consistent with these Guidelines and any other policy of the Company.

1.8 Directors Who Resign or Materially Change Their Current Positions With Their Own Company or Become Aware of Circumstances that May Adversely Reflect upon the Director or the Company

When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer or becomes aware of circumstances that may adversely reflect upon the director or the Company, such director should notify the Governance Committee of such circumstances. In addition to any automatic disqualification set forth under Section 228 of the Companies Law, there are certain circumstances in which a director is required to submit a resignation letter to the Governance Committee, after which the Board will determine whether to accept or reject the resignation. Examples of such circumstances requiring automatic submission of a resignation letter include, but are not limited to, the following:

- the individual has been indicted for, plead guilty to or is found guilty of violating any state or federal securities law;
- the individual admits liability or has been found liable for the violation of any state or federal securities law; or
- any circumstance in which continuing service on the Board by the individual is not consistent with the criteria deemed necessary for such service by the Governance Committee.

1.9 Term Limits

As each director is periodically subject to election by shareholders, the Board does not believe it is in the best interests of the Company to establish director term limits at this time. Additionally, such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.



1.10 Director Responsibilities

The business and affairs of the Company will be managed by or under the direction of the Board. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- exercising their business judgment in good faith;
- acting in what they reasonably believe to be the best interest of the Company;
- becoming and remaining well-informed about the Company's business and operations and general business and economic trends affecting the Company; and
- ensuring that the business of the Company is conducted so as to further the long-term interests of its shareholders.

1.11 Compensation

The Board believes that director compensation should fairly pay directors for work required in a business of the Company's size and scope, and that compensation should align directors' interests with the long-term interests of shareholders. The Compensation Committee will review and make recommendations to the Board regarding the cash and equity compensation of directors.

Subject to the applicable Nasdaq rules, members of the Audit Committee and Compensation Committee may not directly or indirectly receive any consulting, advisory, or other compensatory fees (excluding fixed amounts of compensation under a retirement plan, including deferred compensation, for prior service with the Company, provided that such compensation is not contingent in any way on continued service) from the Company other than compensation for board and committee service, including equity incentive awards.

1.12 Share Ownership

The Company encourages directors to own the Company's ordinary shares. However, the number of the Company's ordinary shares owned by any director is a personal decision and, at this time, the Board has chosen not to adopt a policy requiring ownership by directors of a minimum number of shares.

1.13 Conflicts of Interest

Directors are required to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report all facts regarding the matter to the Board. Any significant conflict must be resolved or the director should resign. For additional information, see the Company's "Code of Ethics and Conduct."

1.14 Interaction with Institutional Investors, the Press and Customers

1.15 The Board believes that management speaks for the Company. Each director should refer all inquiries from institutional investors, the press or customers regarding the Company's operations to management. Individual Board members may, from time to time at the request of management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chair of the Board. For additional information, see the Company's "Fair Disclosure Policy."



1.16 Board Access to Senior Management

The Board will have sufficient access to Company management in order to ensure that directors can ask any questions and receive all information reasonably necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer, the Chair of the Board, or if neither is available or neither is appropriate, directly by the director. To the extent appropriate, such contact, if in writing, should be copied to the Chief Executive Officer of the Company.

1.17 Board Access to Independent Advisors

The Board and the Board committees shall have access to any independent advisor retained by the Company, and the Board or a Board committee may hire any independent advisor it considers necessary to discharge its responsibilities.

1.18 Self-Evaluation

The Governance Committee will oversee a periodic assessment of the Board's leadership structure and an annual assessment of the Board's committee structure.

2 BOARD MEETINGS

2.1 Frequency of Meetings

The Board will meet at least four (4) times annually. In addition, special meetings may be called from time to time as determined by the needs of the business, and in accordance with the Articles and applicable law.

2.2 Director Attendance

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of the Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting of the Board, or a committee of the Board of which such director is a member, is expected to notify the Chair of the Board or the Chair of the appropriate committee and the Chief Legal, Compliance and Data Protection Officer in advance of such meeting, and, whenever possible, participate in such meeting via teleconference in the case of an in-person meeting. If such director is the Chairperson (or the Chairperson of the Board) he/she will notify the other members of the Board or committee and the Chief Legal, Compliance and Data Protection Officer, as applicable.

2.3 Attendance of Non-Directors

The Board encourages the Chair of the Board or of any committee to invite Company management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) provide insight into items being discussed by the Board that involve the manager, advisor or consultant, (ii) make presentations to the Board on matters that involve the manager, advisor or consultant, and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.



2.4 Advance Receipt of Meeting Materials

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

3 COMMITTEE MATTERS

The Board currently has three (3) standing committees: (i) the Audit Committee, (ii) the Compensation Committee and (iii) the Nominating, Governance, Compliance and Sustainability Committee. From time to time and depending on the circumstances, the Board may form a new committee or disband a current committee. Each committee will perform its duties as assigned by the Board in compliance with the Articles and the committee's charter. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

4 SUCCESSION PLANNING

The Board (or a committee delegated by the Board) will work on a periodic basis with the Chief Executive Officer to evaluate the Company's succession plans for the Chief Executive Officer and other executive officers, including an emergency succession plan for the Chief Executive Officer.

5 RISK MANAGEMENT

The Board and the Audit Committee shall have an active role in overseeing management of the Company's risks. The Board shall regularly review information regarding the Company's credit, liquidity, operations and regulatory compliance, as well as the risks associated with each. The Board will review annually the Company's Annual Risk Management Report as shall be formed by the Company's management and presented to it by the Company's Chief Legal, Compliance and Data Protection Officer.

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Attachment A
Director Qualification Standards and Additional Selection Criteria

Nominees for director of the Company should possess the following minimum criteria:

- being able to read and understand basic financial statements;
- being over 21 years of age; and
- having the highest personal integrity and ethics.

In evaluating director candidates, the Nominating Governance Compliance and Sustainability Committee and the Board also intend to consider the following additional criteria:

- possessing relevant expertise upon which to be able to offer advice and guidance to management;
- having sufficient time to devote to the affairs of the Company;
- demonstrated excellence in his or her field;
- having the ability to exercise sound business judgment;
- diversity, including any gender requirements imposed by Israeli law and the Nasdaq listing standards; and
- having the commitment to rigorously represent the long-term interests of the Company's shareholders.

In addition, the Board will consider whether there are potential conflicts of interest with the candidate's other personal and professional pursuits.

The Board should monitor the mix of specific experience, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company's business and structure.

THE COMPANY RESERVES THE RIGHT TO AMEND, MODIFY, WAIVE OR TERMINATE THE PROVISIONS OF THIS POLICY AT ANY TIME FOR ANY REASON.