

Benefitfocus[®]

CLAWBACK POLICY

Introduction

The Board of Directors (the “Board”) of Benefitfocus, Inc. (the “Company”) believes that it is in the best interests of the Company and its stockholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company’s pay-for-performance compensation philosophy. The Board has therefore adopted this policy which provides for the recoupment of certain executive compensation in the event of an accounting restatement due to material noncompliance with financial reporting requirements under the federal securities laws (the “Policy”). This Policy is intended to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the applicable rules or standards adopted by the U.S. Securities and Exchange Commission (the “SEC”) pursuant thereto, and the applicable rules or standards adopted by any national securities exchange on which the Company’s securities are listed.

Administration

This Policy will be administered by the Board or, if so designated by the Board, the Compensation Committee, in which case references herein to the Board will be deemed references to the Compensation Committee. Any determinations made by the Board will be final and binding on all affected individuals.

Covered Executives

This Policy applies to the Company’s current and former executive officers, as determined by the Board in accordance with Section 10D of the Exchange Act and the listing standards of the national securities exchange on which the Company’s securities are listed, and such other senior employees who may from time to time be deemed subject to the Policy by the Board (“Covered Executives”).

Recoupment Triggered by Accounting Restatement

In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company’s material noncompliance with any financial reporting requirement under the securities laws, the Board will require reimbursement or forfeiture of any excess Incentive Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Company is required to prepare an accounting restatement.

Recoupment of Incentive Compensation pursuant to this Policy is made on a “no fault” basis, without regard to whether any misconduct occurred or any Covered Executive’s responsibility for the noncompliance that resulted in the accounting restatement.

In connection with an accounting restatement, the amount to be recovered will be the excess of the Incentive Compensation paid to the Covered Executive based on the erroneous data over the Incentive Compensation that would have been paid to the Covered Executive had it been based on the restated results, determined without regard to taxes paid, all as determined by the Board.

If the Board cannot determine the amount of excess Incentive Compensation received by the Covered Executive directly from the information in the accounting restatement, then it will make its determination based on a reasonable estimate of the effect of the accounting restatement.

Incentive Compensation Defined

For purposes of this Policy, “Incentive Compensation” includes, but is not limited to, any of the following, provided that such compensation is granted, earned, or vested based wholly or in part on the attainment of a financial reporting measure:

- Annual bonuses and other short- and long-term cash incentives;
- Stock options;
- Stock appreciation rights;
- Restricted stock;
- Performance shares;
- Restricted stock units;
- Performance restricted stock units; and
- Other awards of equity or equity-like compensation provided by the Company.

For purposes of this Policy, “financial reporting measures” include:

- Company stock price;
- Total stockholder return;
- Revenues;
- Net income;
- Earnings before interest, taxes, depreciation, and amortization (EBITDA) and adjusted EBITDA;
- Annual recurring revenue bookings, including growth in them;
- Funds from operations or free cash flow;
- Liquidity measures such as working capital or operating cash flow;
- Return measures such as return on invested capital or return on assets;
- Profit margins and growth rates; and
- Earnings measures such as earnings per share.

Method of Recoupment

The Board will determine, in its sole discretion, the method for recouping Incentive Compensation hereunder which may include, without limitation:

- (a) requiring reimbursement of cash Incentive Compensation previously paid;

- (b) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards;
- (c) offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive;
- (d) cancelling outstanding vested or unvested equity awards;
- (e) taking any other remedial and recovery action permitted by law, as determined by the Board; or
- (f) any combination of the foregoing, as determined by the Board.

Other Recoupment Rights

The Board intends that this Policy will be applied to the fullest extent of the law. The Board may require that any employment agreement, equity award agreement, or similar agreement entered into on or after the Effective Date, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement, as well as any other legal remedies available to the Company.

Impracticability

The Board will recover any excess Incentive Compensation in accordance with this Policy unless, after a reasonable attempt to recover such amounts, the Board determines, in accordance with applicable rules or standards adopted by the SEC and the listing standards of the national securities exchange on which the Company's securities are listed, that such recovery would be impracticable.

Successors

This Policy will be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

No Indemnification

The Company will not indemnify any Covered Executives against the recoupment of any erroneously awarded Incentive Compensation pursuant to this Policy, nor for their costs in disputing any recoupment except to the extent awarded by a court because the Covered Executive was successful in such dispute.

Interpretation

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this

Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's securities are listed.

Effective Date

This Policy will be effective as of the date it is adopted by the Board (the "Effective Date") and will apply to Incentive Compensation that is approved, awarded or granted to Covered Executives on or after that date.

Amendment; Termination

The Board may amend this Policy from time to time in its discretion and will amend this Policy as it deems necessary to reflect final regulations adopted by the SEC under Section 10D of the Exchange Act and to comply with any rules or standards adopted by a national securities exchange on which the Company's securities are listed. The Board may terminate this Policy at any time.

Adopted by the Board of Directors on March 31, 2022.