
GRANICUS INCENTIVE BONUS PLAN

Purpose

Granicus (“Company”) sets important goals each year for the business to achieve and each employee plays a role in reaching those goals. The Incentive Bonus Plan (“Bonus Plan” or “Plan”) provides an opportunity for employees to receive a discretionary bonus based on the achievement of goals as outlined in the Plan. The Plan is designed to balance targets across a) Company financial achievements; b) specific strategic goals; and c) individual performance. The Plan provides eligible employees an opportunity to increase their total annual compensation above their base compensation by meeting or exceeding these goals during the calendar year (“Plan Year”).

The discretionary bonus is a key component of Granicus’s compensation philosophy by linking a portion of each eligible employee’s annual compensation to the achievement of specific goals. These goals are intended to promote alignment, teamwork and collaboration, as well as encourage individual accountability.

Bonuses are discretionary, are never guaranteed, and are dependent on the Company’s performance, financial position, department and individual performance. Although the following Plan is intended to provide examples of how the Company determines discretionary bonus amounts, the Company has the sole discretion to determine whether to pay a bonus and to determine the amount of bonus payable to any individual employee. For example, even though individual goals may have been obtained, employees may not receive a discretionary bonus if the Company’s financial performance does not meet expectations in any given year. This Plan does not create an entitlement or an expectation as to any particular bonus payment or the right of any employee to receive a bonus in a particular Plan year.

Eligibility

Regular full-time or regular part-time employees are eligible to receive a discretionary bonus under the Plan if it is stated in their offer letter or if they receive another formal compensation document from Granicus. An employee is eligible to earn and receive a bonus under the Bonus Plan if they: a) are actively employed with Granicus at the time of the bonus payout; b) worked for greater than 90 days during the Plan Year; and c) received an individual performance rating indicating they met or exceeded the requirements of their job for the Plan Year.

Each eligible employee is assigned a target discretionary bonus. The target bonus is a percentage of the employee’s annual base salary in effect during the Plan Year representing the potential discretionary bonus the employee is eligible to earn in a given Plan year. If an employee is eligible for overtime, any overtime earned is not included in the base salary for the purposes of calculating an employee’s bonus for the Plan Year. The target discretionary bonus is intended to be an overall guide for the determination of a discretionary bonus. Employees are not guaranteed to receive the target bonus amount, even if all of the metrics outlined below are achieved.

Employees that meet the eligibility requirements set out above but were not regular full-time or regular part-time employees for the full Plan Year or were on unpaid leave or Paid Parental Leave (PPL) during the Plan Year, will be eligible for a pro-rata discretionary bonus. The bonus will be calculated based only on the employee’s actual regular earned wages during the Plan Year. (Overtime is not included in the bonus calculation.)

Any questions related to an employee’s target bonus assignment, eligibility or other questions should be referred to the employee’s manager.

Incentive Bonus Plan Metrics

Considerations for the Bonus Plan are comprised of three key components. Typically, discretionary bonuses will be determined based on the following considerations:

- 45% of the target bonus is based on the achievement of Company financial targets

- 35% of the target bonus is based on the achievement of defined specific goals, Management by Objectives (“MBOs”)
- 20% of the target bonus is based on individual performance

Financial Targets (45%): The Board of Directors (“BOD”) will establish certain company financial metrics and targets for each Plan Year which will be used in determining the portion of an employee’s total discretionary bonus attributable to Company financial targets. A sample of metrics and targets for the Plan Year are outlined in the table below. Each of the 3 financial targets for are weighted equally (33 1/3% each) for the purposes of calculating the overall achievement of the financial metric. Attainment percentages will be calculated at the end of each Plan Year based on actual company financial results as determined by the BOD. Although the total bonus amount and achievement determinations are discretionary, the Company generally uses the following scale in considering payouts related to Company performance:

Metric	SAMPLE Financial Target	Metric Weighting	Results	Example Attainment %	Example Payout %
Gross Bookings	\$100M	33 1/3%	<85% attainment = 0% payout 85-90% attainment = 50% payout 90-100% attainment = 50-100% payout (linear)	87%	50%
Recurring Revenue	\$150M	33 1/3%	<92.5% attainment = 0% payout 92.5-95% attainment = 50% payout 95-100% attainment = 50-100% payout (linear)	90%	0%
EBITDA	\$50M	33 1/3%	<85% attainment = 0% payout 85-90% attainment = 50% payout 90-100% attainment = 50-100% payout (linear)	99%	95%
<i>Total for Financial Target Portion of the Bonus*</i>					48%

*Notes:

- 1) In this example 48% of a possible 100% was achieved for the Financial Target portion of the Bonus calculation (see Example below for full example calculation).
- 2) Financial Targets Threshold: If Granicus falls below 85% for Gross Bookings **or** EBITDA **AND** below 92.5% for Recurring Revenue than the total bonus payout for Financial Targets will be 0%.

MBOs (35%): Company MBOs are program-related objectives and deliverables designed to orient teams around specific, near-term initiatives that are intended to deliver significant long-term value to the company. As critical initiatives and targets can often change frequently in a high-growth enterprise, the CEO and BOD will establish 2 separate sets of goals, 1 set for H1 (January 1 – June 30) and a second for H2 (July 1 – December 31). H1 goals will be established and communicated with each year’s Bonus Plan. H2 goals are intended to be established and communicated by July 31. Best efforts will be made to spread MBOs across functions and align employees with goals to which they can make the most impact, with the understanding that a balance is sought many total goals with more direct employee alignment and fewer goals that more directly align with significant impact on company value.

An individual’s MBOs will be assigned by their functional executive and initial communication on the assigned MBOs will be distributed by each Executive.

Achievement levels of H1 and H2 MBOs will be determined by the Executive Committee, CEO and BOD and such achievement will be taken into account when determining the portion of an employee’s total discretionary bonus attributable to MBOs. Level of achievement for each MBO will be calculated as a score of 0-100 based on the results and quality of delivery. Generally, the total MBO score for the Plan Year will be a simple average of each MBO (H1 and H2) and then will relate to the percentage of payment for a specific employee based on such achievement. (See example below for full bonus calculation.)

Individual Performance (20%): The evaluation of individual performance will be determined by their manager and should be a part of the annual performance evaluation process. The calculation of the bonus related to individual performance will be informed by the employee’s individual rating pursuant to the performance evaluation.

If the employee's individual performance rating indicates that they are not meeting the expectations of the job for the Plan Year they will not be eligible for a bonus payout for that Plan Year.

Bonus Calculation Example

Example employee earned a base salary of \$50,000 for Plan Year with a target bonus of 0 – 10%. Their bonus potential is \$5,000.

Bonus Metrics	Weighting	Attainment	Payout (%)	Payout (\$)
Financial Targets	45%	48%	21.6%	\$1,080
MBOs	35%	100%	35.0%	\$1,750
Individual Performance	20%	Exceeding Expectations (100%)	20.0%	\$1,000
Total Achievement			76.6%	\$3,830

This example employee's gross bonus award would be \$3,830.

Bonus Payout Timing

Bonuses will normally be paid between February 15 and March 31 of the year following the Plan Year.

Miscellaneous

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The establishment of this Plan and/or any action of any Company officer with respect to this Plan, does not confer upon any employee the right to continued employment with the Company. The Company reserves the right to dismiss any employee at will, at any time, with or without prior notice, with or without cause.

The Company may, at its discretion, provide for any federal, state or local income tax withholding requirements and Social Security or other tax requirements applicable to the accrual of payment of benefits under the Plan, and all such determinations shall be final and conclusive.

The resolution of any questions with respect to payments and entitlements pursuant to this Plan shall be determined by the CEO, in his/her sole discretion, and all such determinations shall be final and conclusive.

This Plan may be terminated or revoked by the company, at its sole discretion, at any time and amended by the company, at its sole discretion, from time to time.