



PROFICIENT AUTO LOGISTICS, INC.

# **PROFICIENT AUTO LOGISTICS, INC. COMPENSATION COMMITTEE CHARTER**

**May 6, 2024**

## COMPENSATION COMMITTEE CHARTER

### 1. PURPOSE OF THE COMPENSATION COMMITTEE

The Compensation Committee (the “Committee”) was created by the Board of Directors (the “Board”) of Proficient Auto Logistics, Inc. (the “Company”) to oversee the review and determination of executive compensation and to oversee the Company’s compensation policies, plans and programs. The Committee shall have the authority and membership and shall operate according to the procedures provided in this Committee Charter (“Charter”).

### 2. AUTHORITY OF THE COMPENSATION COMMITTEE

- a. The Committee shall have the authority to retain and terminate any compensation consultant to be used to assist in the evaluation of the compensation of the chief executive officer and Chairperson of the Board, if applicable, or the compensation of the other senior officers of the Company designated by the Board as “officers” within the meaning of Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”) (each an “executive officer” and collectively, the “executive officers”) and otherwise as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter and shall have the authority to approve any such consultant’s fees and other retention terms.
- b. The Committee also shall have the authority, in its sole discretion, to retain and terminate, or obtain the advice of, any other legal, accounting or other advisers (collectively with any compensation consultants, “Advisers”) to advise and assist the Committee.
- c. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Adviser retained by the Committee.
- d. The Committee may select an Adviser to the Committee only after taking into consideration all factors relevant to that person’s independence from management, including the following:
  - i. The provision of other services to the Company by the person that employs the Adviser;
  - ii. The amount of fees received from the Company by the person that employs the Adviser, as a percentage of the total revenue of the person that employs the Adviser;
  - iii. The policies and procedures of the person that employs the Adviser that are designed to prevent conflicts of interest;
  - iv. Any business or personal relationship of the Adviser with a member of the Committee;
  - v. Any stock of the Company owned by the Adviser; and

- vi. Any business or personal relationship of the Adviser or the person employing the Adviser with an executive officer of the Company.
- e. The Company shall provide for appropriate funding, as determined by the Committee, for the payment of the compensation to an Adviser approved by the Committee.
- f. The Committee may request that any director, officer or employee of the Company, or the Company's outside counsel, attend one or more meetings of the Committee or meet with any members of, or Advisers to, the Committee.
- g. The Committee may form and delegate authority to subcommittees and management when appropriate, provided such delegation complies with applicable laws, rules and regulations, including state corporate law, the federal securities laws and the rules and regulations of the Nasdaq Stock Market ("Nasdaq").
- h. The Committee may delegate to one or more officers the authority to make grants and awards of stock rights or options to any employee of the Company that is not an executive officer under such of the Company's incentive compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plans.

### 3. COMPENSATION COMMITTEE COMPOSITION

- a. The Committee shall consist of no fewer than two members, with the exact number to be determined by the Board. The Committee shall consist solely of directors determined by the Board to be independent and who satisfy the independence requirements of the Nasdaq as well as those set forth in Section 10C of the Exchange Act and Rule 10C-1 promulgated thereunder. In addition, each member of the Committee shall, if deemed appropriate from time to time, meet the definitions of "non-employee director" under Rule 16b-3 under the Exchange Act.
- b. In addition, in affirmatively determining the independence of any director who will serve on the Committee, the Board shall consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a Committee member, including, but not limited to:
  - i. the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and
  - ii. whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.
- c. The Nominating and Corporate Governance Committee shall recommend to the Board nominees for appointment to the Committee annually and as vacancies or newly created positions occur. Committee members shall be appointed by the

Board and may be removed or replaced by the Board at any time. Resignation or removal of a director from the Board will automatically constitute resignation or removal, as applicable, of such director from the Committee. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chair of the Committee.

#### 4. DUTIES AND RESPONSIBILITIES OF THE COMPENSATION COMMITTEE

- a. The Committee shall establish and oversee the Company's executive compensation policies, including issues relating to pay and performance, targeted pay positioning (median, percentile, etc.), comparison companies, pay mix and stock ownership. the Company's compensation policies may vary by location or by line of business, or by such other criteria as the Committee, in its sole discretion, shall determine appropriate. The Committee shall, at least annually, review and approve (and, if desired, make recommendation to the Board for approval) of) all items of executive officer compensation and arrangements, including, as relevant (i) annual base salary level, (ii) annual incentive compensation, (iii) long-term incentive compensation, (iv) employment, severance and change-in-control agreements, if any, and (v) any other compensation, ongoing perquisites or special benefit items.
- b. The Committee shall establish a formal evaluation process for and determine the compensation of the chief executive officer. As part of such process, among other matters deemed relevant by the Committee, in its sole discretion, the Committee shall review and approve annually corporate goals and objectives relevant to the chief executive officer's compensation and evaluate the chief executive officer's performance in light of those goals and objectives as well as the Company's performance versus its peer group. Based on this evaluation, the Committee shall recommend the chief executive officer's compensation level to the independent directors of the Board for approval. The Committee shall also recommend the Chairperson of the Board's compensation, if applicable, to the other independent directors of the Board for approval.
- c. In determining the long-term incentive component of the chief executive officer's compensation, the Committee shall consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the Company's chief executive officer in past years and any other matters deemed relevant by the Committee, in its sole discretion.
- d. The Committee shall review the chief executive officer's recommendations regarding the compensation of the Company's other executive officers and shall determine appropriate compensation levels for such executive officers.
- e. The Committee shall make recommendations to the Board with respect to new incentive compensation and equity-based plans, or amendments to any such existing plans.

- f. The Committee shall have the authority to administer the Company's incentive compensation and equity-based plans and shall approve and ratify awards under such plans, including amendments to any such awards.
- g. The Committee shall review and approve compensation (including stock option grants and other equity-based compensation) for the Company's outside directors.
- h. The Committee shall review and approve, for the chief executive officer, the Chairperson of the Board, if applicable, and the other executive officers of the Company, (i) employment agreements, severance arrangements and change in control agreements or provisions, in each case, and (ii) any special or supplemental benefits, including perquisites.
- i. The Committee shall consult with the chief executive officer on any decisions to retain or terminate any executive officer, other than the chief executive officer and Chairperson of the Board (except termination under exigent circumstances) and the Committee must approve any retention or severance terms for such executive officers.
- j. The Committee shall consult with the Nominating and Corporate Governance Committee, and shall work with the Company's chief executive officer and the Chairperson of the Board, if applicable, in the Nominating and Corporate Governance Committee's (i) review annually, or more often if appropriate, of chief executive officer and Chairperson of the Board succession to make appropriate plans for the succession of the Company's chief executive officer and Chairperson of the Board, and (ii) oversight and evaluation of succession planning, if any, for such other executive officers as the Nominating and Corporate Governance Committee has determined appropriate to safeguard continuity in the Company's management.
- k. The Committee shall oversee the Company's (i) submissions to shareholders regarding executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and (ii) engagement with proxy advisory firms and other shareholder groups on executive compensation matters. The Committee also shall review the results of such advisory votes and consider any implications.
- l. The Committee shall review and approve any revisions to the clawback policy allowing the Company to recoup compensation paid to employees and shall administer any such policy.
- m. The Committee shall determine and oversee the Company's stock ownership guidelines.
- n. The Committee shall review and approve the list of peer group companies to which the Company shall compare itself for compensation purposes based on criteria the Committee deems appropriate.

- o. The Committee shall annually review travel and entertainment expenses incurred by the chief executive officer and other executive officers of the Company.
- p. The Committee shall review and discuss the Compensation Discussion and Analysis with management and, based on this review and discussion, recommend whether it be included in the Company's annual report on Form 10-K and proxy statement.
- q. The Committee shall prepare the Compensation Committee Report required by the rules of the Securities and Exchange Commission to be included in the Company's annual report on Form 10-K and proxy statement.
- r. The Committee shall review and assess risks arising from the Company's compensation policies and practices for its employees and whether any such risks are reasonably likely to have a material adverse effect on the Company.
- s. The Committee shall from time to time review compensation for non-employee directors and recommend any changes to the Board for approval as the Committee finds appropriate.
- t. The Committee shall have such other duties, responsibilities and authorities as the Board may from time to time delegate.

## 5. REPORTING RESPONSIBILITIES

- a. The Committee shall keep a record of its proceedings.
- b. The Committee shall report to the Board on such matters that are specifically required by this Charter and otherwise periodically on such other matters as the Committee deems appropriate or as are requested by the Board.

## 6. PROCEDURES

- a. The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this Charter. The Committee may also act by unanimous written consent in lieu of a meeting in accordance with the Company's Bylaws.
- b. No executive officer should attend that portion of any meeting where such executive's performance or compensation is discussed, unless specifically invited by the Committee.
- c. The chief executive officer may not be present during any deliberation or vote on his or her compensation.

- d. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- e. The Committee shall annually review its own performance and report to the Board regarding its findings.
- f. The Committee shall have the right to excuse any Committee member from a meeting or portion thereof to permit the remaining members of the Committee to discuss or act on any matter for which, in the Committee's opinion, the excused member's participation is not appropriate, and such excused member's absence in this circumstance shall not be deemed an absence for the purposes of determining a quorum.
- g. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- h. This Charter shall be posted on the Company's website.