

AMENDED AND RESTATED CHARTER
OF THE COMPENSATION COMMITTEE
APPFOLIO, INC.

ADOPTED BY THE BOARD ON JULY 16, 2020

Amended and Restated Charter of the Compensation Committee

AppFolio, Inc.

I. Purpose

The purpose of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of AppFolio, Inc. (the “*Company*”) is to assist the Board with respect to:

- (i) developing and reviewing compensation programs and strategy applicable to the Company’s directors and senior executives, and overseeing the Company’s overall compensation philosophy;
- (ii) recommending to the Board for approval each component of compensation paid to the directors and senior executives;
- (iii) administering the Company’s cash and equity-based compensation plans applicable to all of the Company’s directors, senior executives and employees in accordance with the terms of this Charter;
- (iv) reviewing and discussing with the Company’s management the tables and narrative discussion regarding executive officer and director compensation to be included in the Company’s public filings, including its annual proxy statement;
- (v) preparing the report of the Committee required by the rules of the SEC to be included in the Company’s annual proxy statement;
- (vi) perform such other duties and responsibilities as are enumerated in and consistent with this Charter; and
- (vii) providing oversight responsibility delegated to the Committee by the Board as set forth in the Matrix attached to the Board Oversight of Risk Management and Compliance Memorandum.

II. Membership

The Committee shall consist of two or more members of the Board, with the exact number to be determined by the Board. Each member of the Committee must (a) be an “independent director” as defined under the listing rules of the national securities exchange on which the Company’s securities are listed for trading, (b) be a “non-employee director” as defined in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), (c) be an “outside director” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended, (d) be free from any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member, and (e) meet any other requirements imposed by applicable laws, rules, regulations and listing standards, subject to any applicable exemptions and transition provisions.

The members of the Committee shall be appointed by and serve at the discretion of the Board. Committee members may be removed, without cause, by the affirmative vote of the majority of the Board at any time. Any Committee member may resign effective upon giving oral or written notice to the Chairperson of the Board (unless the notice specifies a later time for the effectiveness of such resignation). In the event that there is no Chairperson of the Board, the notice of resignation shall be delivered to the full Board. Vacancies occurring on the Committee shall be filled by the Board.

The Board may designate a Chairperson of the Committee. In the absence of that designation, the Committee may designate a Chairperson by majority vote of the Committee members. The Chairperson will set the agenda for Committee meetings and conduct proceedings of those meetings.

III. Responsibilities and Authority

In order to fulfill the Committee's purposes of the Charter as provided in Article I, the responsibilities of the Committee are separated into three categories:

A. Compensation of the Chief Executive Officer and Other Senior Executives

The Committee shall:

- (i) review the Company's compensation programs and strategy applicable to the Company's Chief Executive Officer ("**CEO**"), the Company's Chief Financial Officer ("**CFO**") and the Company's other senior executives that are a direct report to the CEO (together with the CEO and CFO, the "**Senior Executives**"), to ensure that the programs and strategy support the Company's overall compensation philosophy;
- (ii) review and recommend to the Board for approval each component of compensation paid to the Senior Executives, including base salary, cash incentive compensation, equity-based awards, perquisites and other benefits;
- (iii) review the Company and individual performance objectives that are deemed relevant to the compensation of the Senior Executives, and make recommendations to the Board regarding modifications to the performance objectives in light of the Company's overall compensation philosophy;
- (iv) review and recommend to the Board for approval the terms of any employment agreements, severance or change in control arrangements, or other compensatory arrangements with the Senior Executives;
- (v) review and recommend to the Board for approval policies and procedures relating to benefits and perquisites paid to the Senior Executives;
- (vi) require that the CEO and CFO may not be present during voting or deliberations regarding his or her compensation and benefits, and that the other Senior Executives may not be present during voting or deliberations regarding their compensation and benefits;
- (vii) review and assess the Company's processes and procedures for the consideration and determination of executive compensation for Senior Executives, and review and discuss with management any description of such processes and procedures to be included in the Company's public filings, including its annual proxy statement; and
- (viii) consider whether the Company's compensation programs and strategy encourage undue or inappropriate risk taking by the Senior Executives and other employees, and recommend procedures to mitigate risk where appropriate.

B. Cash and Equity-Based Compensation Plans

The Committee shall:

- (i) administer and interpret the Company's 2015 Stock Incentive Plan and any other equity based plan adopted by the Company (collectively, the "Plans"), including (a) recommending to the Board for approval grants of stock options, restricted stock, or other equity-based awards to the Senior Executives, including, where appropriate, recommending time and/or performance-based goals associated with the vesting of those awards after taking into consideration the Company's overall compensation philosophy and (b) recommending that the Board delegate, to one or more Senior Executives, the authority to grant stock options, restricted stock or other equity-based awards to employees (other than Senior Executives), subject to such guidelines or limitations as the Board may adopt;
- (ii) evaluate and recommend to the Board for approval the amount of equity-based incentive compensation actually vested for the benefit of the Senior Executives based on achievement with respect to the Company and/or individual performance objectives established by the Board upon recommendation by the Committee;
- (iii) recommend to the Board for approval target and maximum cash incentive payments for Senior Executives under the Company's cash incentive compensation plans, including, where appropriate, recommending time and/or performance-based goals associated with the achievement of those cash incentive payments after taking into consideration the Company's overall compensation philosophy;
- (iv) evaluate and recommend to the Board for approval the amount of cash incentive compensation actually earned by the Senior Executives based on achievement with respect to the Company and/or individual performance objectives established by the Board upon recommendation by the Committee;
- (v) review and make recommendations to the Board with respect to the adoption and approval of, or amendments to, the Company's cash and equity-based incentive compensation plans, agreements and arrangements; and
- (vi) administer and interpret any Company cash compensation plan, agreement or arrangement.

C. Disclosure of Executive Compensation and Compensation Committee Report

The Committee shall:

- (i) review and discuss with management the tables and narrative disclosure regarding the Company's compensation policies and practices applicable to executive officers and directors to be included in the Company's public filings, including its annual proxy statement;
- (ii) prepare the report of the Committee required by the rules of the SEC to be included in the Company's annual proxy statement; and
- (iii) to the extent applicable to the Company, consider and determine, or make recommendations to the Board regarding, the frequency with which stockholder votes on executive compensation ("*say-on-pay*" votes) should

occur, consider the results of say-on-pay votes, and make such adjustments to the Company's compensation programs applicable to executive officers as it deems appropriate in response to say-on-pay votes.

IV. Authority to Retain Advisors

In performing its responsibilities, the Committee shall have the authority, in the Committee's sole discretion, to engage and obtain advice, reports or opinions from compensation consultants, or independent legal counsel and other advisors, as it determines necessary, to carry out its duties. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee and, in this regard, will have sole authority to approve related fees and retention terms for any consultants, legal counsel and advisors retained by the Committee. The Company will provide the Committee with appropriate funding, as the Committee determines, for the payment of compensation to any compensation consultant, legal counsel, and other advisors as it deems appropriate. The Committee may select, or receive advice or opinions from, a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration independence factors as required under the listing rules of the national securities exchange on which the Company's securities are listed for trading. In accordance with the applicable listing standards, the Committee shall at least annually review the independence of advisors to the Committee.

V. Additional Compensation Committee Authority

The Committee is authorized, on behalf of the Board, to do any of the following, as the Committee deems necessary or appropriate in its discretion:

- (i) annually review and make recommendations to the Board with respect to the compensation of all non-employee members of the Board, including compensation for service on committees of the Board;
- (ii) review and make recommendations to the Board regarding the Company's succession plans for the Senior Executives and other management positions, including reviewing contingency plans for a successor to assume the role of CEO;
- (iii) form and delegate authority to subcommittees consisting of one or more of its members as the Committee deems appropriate to carry out its responsibilities and exercise its powers (to the extent allowable under applicable laws, rules, regulations and listing standards);
- (iv) periodically review the Company's procedures with respect to employee loans;
- (v) rely upon advice and information that it receives in its discussions and communications with management and such advisors as may be consulted by the Committee;
- (vi) request that any officer or employee of the Company, the Company's outside legal counsel, or any other advisor retained by the Company, attend a meeting of the Committee, or meet with any members of or advisors to the Committee, provided that the Committee shall retain the discretion to exclude any such person from all or any portion of any Committee meeting;
- (vii) perform other activities consistent with this Charter, the Company's Certificate of Incorporation and Bylaws (each as amended and in effect from

- time to time), and applicable laws, rules, regulations and listing standards as the Committee or the Board deems necessary or appropriate;
- (viii) have unrestricted access to Company personnel and documents, and to seek any information from employees, officers, directors or external parties;
 - (ix) direct and supervise an investigation into any matters within the scope of its duties;
 - (x) incur such expenses as are necessary or appropriate in carrying out its duties; and
 - (xi) perform such other functions as may be requested by the Board from time to time.

VI. Annual Review of Charter

The Committee shall review and assess the adequacy of this Charter at least annually and recommend to the Board any amendments or modifications to the Charter that the Committee deems appropriate.

VII. Annual Performance Review

The Committee shall annually evaluate and assess its performance.

VIII. Meetings and Procedures

The Committee will meet at least once each quarter or more frequently, as determined appropriate by the Committee. The Committee will regularly report to the Board on significant matters related to the Committee's responsibilities, and as requested by the Board with respect to other matters. The Committee will maintain written minutes of its meetings and will make such minutes available to the Board.

The Committee shall be governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.