

WebMD Health Corp.

Clawback Policy

as of April 18, 2017

The Board of Directors (the “Board”) of WebMD Health Corp. (the “Company”) believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company’s pay-for-performance philosophy. The Compensation Committee of the Board (the “Compensation Committee”) has therefore adopted this policy (the “Policy”), effective as of April 18, 2017 (the “Effective Date”), to provide for the Company to have a right to recoupment (“Clawback”) of incentive compensation in the circumstances outlined herein.

Executives Subject to the Clawback Policy: The Policy is applicable to all individuals who are executive officers of the Company as of or following the Effective Date (“Executive Officers”). The Policy will continue to apply to Executive Officers whose service with the Company terminates for any reason after the Effective Date for three years following such termination, as related to acts performed or failures to act during their service with the Company.

Clawback Trigger: For purposes of this Policy, a “Clawback Trigger” is any willful act or omission by an Executive Officer that constitutes fraud or intentional misconduct and results in a material error in the Company’s financial statements that requires such financial statements to be restated for any period within the three most recent fiscal years. Whether an error is “material” for purposes of the preceding sentence will be determined in the discretion of the Audit Committee of the Board. A restatement of the Company’s financial results arising out of a change in applicable accounting rules or interpretations shall not be a basis for a Clawback Trigger.

Compensation Subject to Clawback: In the event of a Clawback Trigger, the following incentive-based compensation (“Incentive Compensation”) is subject to Clawback under the Policy:

- *Annual cash bonus:* The portion of any annual cash bonus that is determined based on the achievement of pre-determined, objective financial goals. The portion that is determined based on discretionary or subjective measures is not subject to Clawback. For the avoidance of doubt, no annual cash bonus for any year prior to 2016 is subject to Clawback.
- *Supplemental bonus plan:* To the extent that the underlying amount of any supplemental bonus is based initially on achievement of financial goals under the annual cash bonus plan, amounts contributed to the Supplemental Bonus Trust are subject to Clawback, at or after release from the Supplemental Bonus Trust, but only to the extent that the underlying annual bonus is subject to Clawback.
- *Performance-based stock:* The amount of the earned/vested award would be subject to Clawback to the extent that the vesting of the award was determined based on the achievement of pre-determined, objective financial goals.

Equity-based awards that vest solely based on the passage of time (including time-based restricted stock and stock options) are not subject to the Policy.

Amount of Clawback: In the event of a Clawback Trigger, the Company shall have the right to recover only the portion of the Incentive Compensation gains or amounts paid to Executive Officers in respect of the relevant fiscal years to the extent such Incentive Compensation would not have been earned based on the restated financial results (the “Excess Compensation”). The Company shall have the right, to the extent permitted by law, to collect the Excess Compensation from an Executive Officer by offsetting against other amounts due to the Executive Officer or by cancelling outstanding stock-based awards with a value equivalent to the Excess Compensation; provided, however, that the Executive Officer shall have not less than 30 days to repay Excess Compensation after demand is made by the Company for such repayment before any offsets shall be used by the Company.

The Compensation Committee may determine not to seek Clawback of Excess Compensation to the extent it believes that doing so would be unreasonable or that it would not be in the interest of the Company to do so. In making such determination, the Compensation Committee shall take into account such considerations as it deems appropriate and may rely on advice of legal counsel. Such considerations may include, without limitation, (a) the amount of the Excess Compensation; (b) the likelihood of success versus the cost and effort involved, (c) whether, as a result of the Clawback Trigger applicable to a specific fiscal year, the required restatements would have resulted or will result in additional Incentive Compensation being due to the Executive Officer for a preceding or subsequent period; and (d) whether the assertion of a Clawback claim may prejudice the interests of the Company, including in any other pending or threatened legal proceeding or governmental inquiry or investigation.

Administration: Except for the determination of the materiality of an error in a financial statement, which shall be determined by the Audit Committee, the Compensation Committee shall interpret and construe this Policy and make all determinations necessary, appropriate or advisable for the administration of this Policy and may amend this Policy at any time. Any determinations made by the Audit Committee or Compensation Committee, as the case may be, shall be final, binding and conclusive on all affected individuals. The Policy shall be in effect so long as common stock of the Company is publicly traded. This Policy is not intended to be the Company’s exclusive remedy in connection with any act or omission that results in a Clawback Trigger.

* * *