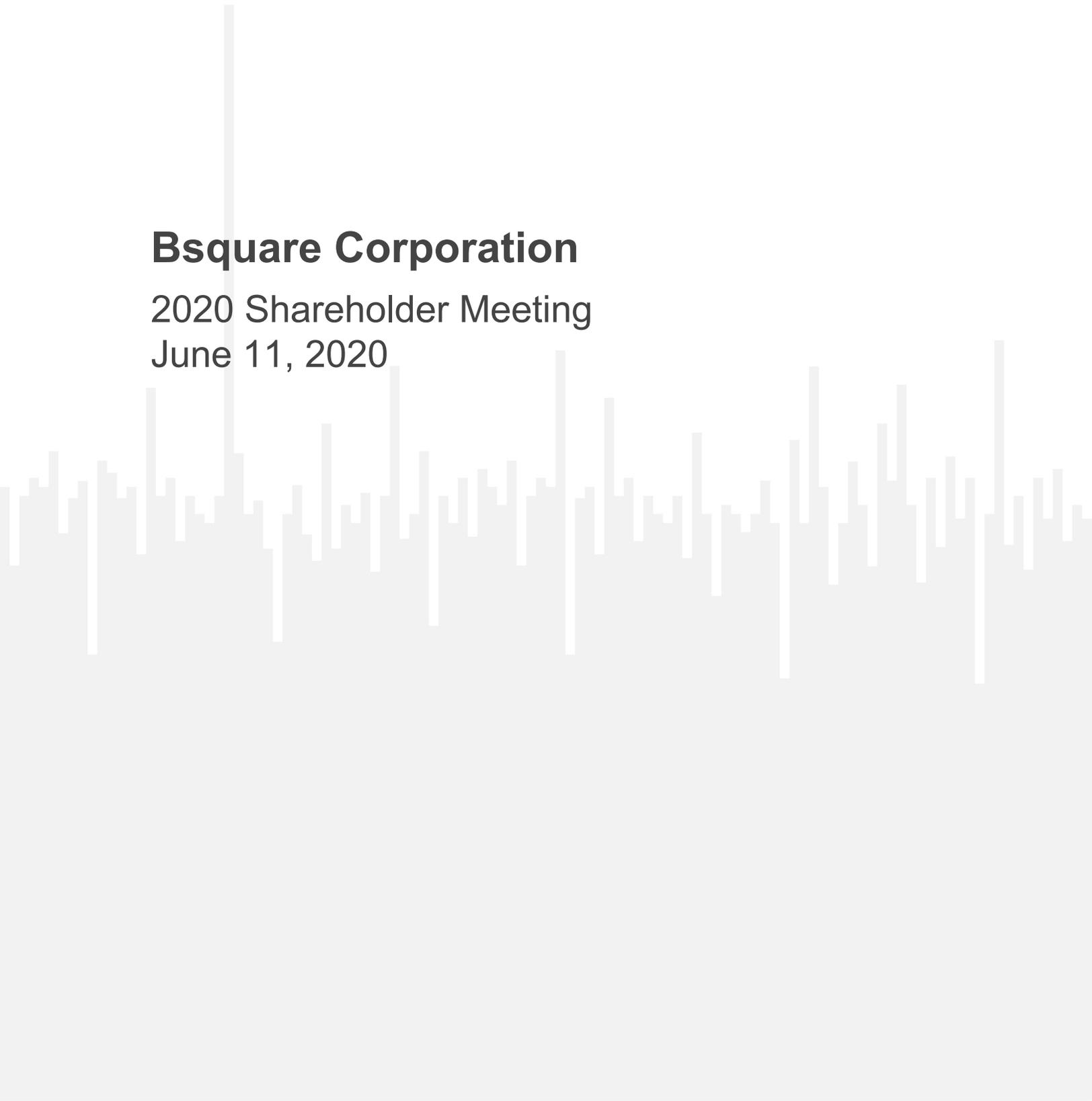


BSQUARE



Bsquare Corporation

2020 Shareholder Meeting

June 11, 2020



CORPORATE PARTICIPANTS

Ralph Derrickson, *President and Chief Executive Officer*

Chris Wheaton, *Chief Financial Officer*

PRESENTATION

Operator

Good day, and welcome to the Bsquare 2020 Shareholder Meeting. Today's conference is being recorded.

At this time, I would like to turn the conference over to CEO, Ralph Derrickson. Please go ahead sir.

Ralph Derrickson

Ladies and gentlemen, may I please have your attention. The 2020 annual meeting of the shareholders of Bsquare Corporation will now come to order.

My name is Ralph Derrickson and I am the President and Chief Executive Officer of Bsquare. I also serve as a Director on Bsquare's Board of Directors. I'd like to welcome you to the 2020 annual meeting of shareholders.

Before we get to the business of today's meeting, I would like to introduce the directors and senior officers of Bsquare in attendance today. Bob Chamberlain, Director and Chairman of our Audit Committee; Bob is participating virtually via teleconference. Davin Cushman, Director and Chairman of our Compensation Committee; Davin is also participating virtually. Mary Jesse, Director and Chairman of our Governance and Nominating Committee is participating virtually. Rob Peters, Director, is participating virtually. Ryan Vardeman, Director, is also participating virtually. Chris Wheaton, Chief Financial Officer and Corporate Secretary is participating with me, in the meeting room.

Representing our registered public accountants, Moss Adams LLP are Rob McEachran and Anna Waldren who are participating virtually via teleconference. Representing DLA Piper, our external corporate council, is Andrew Ledbetter. Andrew is participating with us in the meeting room. Representing Broadridge Financial Solutions, our transfer agent is Leah Grant. Leah is participating virtually via teleconference. Andrew Harries who serves as our Chairman of the Board of Directors is not able to attend today due to a scheduled conflict.

We will now conduct the business of the meeting. Chris Wheaton will act as secretary of the meeting and Leah Grant of Broadridge Financial Solutions, our transfer agent, will serve as the inspector of elections. I will ask Chris Wheaton to state whether a notice of the meeting was given and if a quorum is present.

Chris Wheaton

Notice of the meeting was given to all shareholders on or about the 1st of May 2020 and I have for inclusion in the record of this meeting, the affidavit of mailing for Broadridge Financial Solutions. The preliminary report of the inspector of elections reflects that more than 87% of the



total number of shares outstanding entitled to vote are present in person or by proxy at this meeting, constituting a quorum.

Ralph Derrickson

Will the secretary please attach this affidavit to the minutes of this meeting? In as much as a majority of the voting power of the Company is represented at this meeting, a quorum is present, and the annual meeting may proceed.

The polls for each matter voted on at this meeting as described in the notice of this meeting will open at this time and will close immediately upon the completion of the discussions of the matter. Let me remind all shareholders present, if you have previously filed a proxy, it is not necessary for you to vote or take any other action unless you wish to change your vote. The proxyholders will vote your shares as indicated on your proxy or as otherwise instructed. If you wish to change your vote, you may revoke your proxy at this time and cast a vote in person. If you do so, please indicate that you have already filed a proxy, so it may be cancelled. If there is any shareholder present who has not returned a proxy or who would like to revoke a proxy and vote during the meeting, please raise your hand or otherwise indicate so we may verify your eligibility to vote and provide you ballots.

There are three matters to be considered at this meeting we will discuss and then proceed to vote on each. Proposal 1, Director election. The first matter to be considered is the election of two class one Directors to serve for the ensuing three years and until his successor is duly elected. The class one Directors up for election are, Robert Chamberlain and Andrew Harries.

As a shareholder of the company, I move that Robert, Bob Chamberlain and Andrew Harries be elected as proposed.

Chris Wheaton

My name is Chris Wheaton, and I second the motion.

Ralph Derrickson

Is there any discussion? At this time moderator, open the line for any questions from the phone.

Operator

Thank you, sir. If you would like to ask a question, please signal by pressing star, one on your telephone keypad. If you're using a speakerphone, please may sure your mute function is turned off to allow your signal to reach our equipment. Again, press star, one to ask a question. We'll pause for just a moment to allow everyone an opportunity to signal for questions.

We have no questions at this time sir.

Ralph Derrickson

Thank you, moderator. That concludes the discussion of the election of the class one Directors. We will now vote. If you have not already voted by proxy or have not yet completed your ballot, please do so at this time.



The polls are now closed for this matter. According to the preliminary report of the inspector of elections, Robert Chamberlain and Andrew Harries have been elected to the Board of Directors.

Proposal 2, advisory Say-on-Pay vote. The second matter to be considered is the advisory vote on the compensation of our named executive officers as disclosed in the proxy statement. Before we take up this matter, I would like to address the issues ISS had with our advisory vote.

We, that is Chris Wheaton and I, speak to investors regularly and we encourage input and questions at all our earnings calls. We make every effort to meet with investors and we listen to their input. It should be noted that one of our largest investors, Palogic, is on the Board and serves on our Compensation Committee. The only time compensation has come up with an investor was following the Q1 call when an investor observed that they were pleased to see management aligning employees with investors through the option grant program. I believe ISS's issues were largely with prior leadership and I am disappointed that our efforts this past year at transparency and integrity in management were not considered in their comments.

I will close by simply observing that no bonus payments were paid to any executives in 2019, and since my arrival, I have work closely with the Compensation Committee to establish performance hurdles that align compensation with value creation.

As a shareholder of the Company, I move that the proposal be approved.

Chris Wheaton

My name is Chris Wheaton, and I second the motion.

Ralph Derrickson

Is there any discussion? Moderator, please open the line for questions.

Operator

Ladies and gentlemen, as a reminder, please press star, one to ask a question.

We have no questions at this time sir.

Ralph Derrickson

That concludes the discussion of the advisory vote on executive compensation. We will now vote. If you've not already voted by proxy or have not yet completed your ballot, please do so at this time.

There being no shareholders in the room, the polls are now closed for the matter. According to the preliminary report of the inspector of elections, the proposal to approve the named executive officer compensation on an advisory basis has passed.

Proposal Number 3, ratification of independent registered public accounting firm. The third matter can be considered as the ratification of Moss Adams LLP to serve as Bsquare's independent registered public accounting firm for the fiscal year ending December 31, 2020.

As a shareholder of the Company, I move that Moss Adams LLP be ratified as Bsquare's independent registered public accounting firm for the fiscal year ending December 31, 2020.



Chris Wheaton

My name is Chris Wheaton, and I second the motion.

Ralph Derrickson

Is there any discussion?

Operator

Ladies and gentlemen, please press star, one to ask a question.

We have no questions at this time sir.

Ralph Derrickson

That concludes the discussion regarding the ratification of the Company's independent registered accounting firm. We will now vote. If you have not already voted by proxy or have not yet completed your ballot, please do so at this time.

The polls are now closed for this matter. According to the preliminary report of the inspector of elections, the proposal to ratify Moss Adams LLP as Bsquare's independent registered public accounting firm for the fiscal year ended December 31, 2020 has passed.

The matters to be considered at this meeting have been completed. Since there is no other business to properly come before the meeting, the formal business of the annual meeting is complete.

Are there any questions from shareholders at this time? Moderator, please open the line for questions.

Operator

Thank you, sir. Ladies and gentlemen, once again if you would like to ask a question, please press star, one on your telephone keypad. If you're using a speaker phone, please make sure the mute function is turned off to allow your signal to reach our equipment. Again, press star, one to ask a question. We'll pause for just a moment to allow everyone an opportunity to signal for questions.

We have no questions, sir, at this time.

Ralph Derrickson

Thank you, moderator. This concludes our annual meeting. I look forward to speaking with you following the Q2 earnings call which will take place on Thursday, August 13. I declare this meeting adjourned and thank you for participating today.

Operator

This concludes today's call. Thank you for your participation. You may now disconnect.