



## Compensation Committee Charter

### Organization

The Compensation Committee of the Board of Directors (the “**Committee**”) of Assembly Biosciences, Inc. (the “**Company**”) was established pursuant to Article IV, Section 4.1 of the Bylaws of the Company. The Board of Directors of the Company (the “**Board**”) will appoint Committee members annually for a term of one year. The Board may remove or replace any Committee member at any time, with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board will also appoint the Chairperson for the Committee.

The Committee will consist of not less than three directors. A majority of the Committee shall constitute a quorum. Except as otherwise permitted by the rules of NASDAQ Stock Market LLC, each Committee member (i) must be independent as defined in Rule 5605(a)(2) of the NASDAQ Stock Market Rules, subject to any applicable exceptions contained in the NASDAQ Stock Market Rules, and (ii) must not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof (other than in his or her capacity as a member of the Board, the Committee or any other Board committee). In determining whether a director is eligible to serve on the Committee, the Board also must consider whether the director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company to determine whether such affiliation would impair the director’s judgment as a member of the Committee. In determining the members of the Committee, the Board will consider whether the members qualify as “non-employee directors” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and as “outside directors” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

### Purpose

The purpose of the Committee is to discharge the Board’s responsibilities relating to compensation of the Company’s directors, executive officers and employees, and relating to the administration of the Company’s equity compensation, retirement, incentive compensation and benefit plans generally. The Committee is responsible for producing a report for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Committee is to develop and implement compensation policies and plans that are appropriate for the Company in light of all relevant circumstances and which ensure the attraction and retention of key management personnel, provide incentives that further the Company’s long-term strategic plan and are consistent with the culture of the Company and the overall goal of enhancing stockholder value.

## **Meetings**

The Committee generally is to meet at least two times per year in person, at such times and places as it deems appropriate, or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, with any additional meetings as deemed necessary by the Committee. A majority of the members of the Committee shall constitute a quorum for purposes of holding a meeting and the Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Committee may act by unanimous written consent. The Chairperson of the Committee, in consultation with the other members and management, may set meeting agendas consistent with this Charter.

## **Duties and Responsibilities**

The Committee shall have the following specific duties and responsibilities:

- The Committee, to the extent it deems necessary or appropriate, shall:
  - review the recommendations of management with respect to the Company's annual corporate goals and objectives and advise the Board regarding such annual corporate goals and objectives;
  - taking into consideration the Board approved corporate goals and objectives, review and approve the annual goals and objectives of the Company's principal executive officer and other executive officers;
  - evaluate the principal executive officer's and other executive officers' performance in light of approved goals and objectives; determine and approve their compensation levels and other terms of employment based on this evaluation, including with respect to each executive officer, his or her base salary, cash and equity-based incentive compensation, bonus, special benefits, perquisites and incidental benefits and other incentive compensation, and other benefits and incentive compensation and other terms of employment;
  - in determining the compensation of the principal executive officer, the Committee shall consider the Company's performance and relative stockholder return, the value of similar incentive awards to principal executive officers at comparable companies, the awards given to the Company's principal executive officer in past years and the results of the most recent stockholders vote on executive compensation (a "say on pay" vote); however, the Committee shall not permit the principal executive officer to be present or participate in such deliberations or during voting. The Committee shall be entitled to consider the recommendations of the principal executive officer in connection with the compensation of other executive officers and the results of the most recent say on pay vote, in the Committee's discretion, the principal executive officer may participate in the Committee's deliberations with respect thereto; and
  - in determining cash and equity incentive compensation payable to the principal executive officer and other executive officers under the Company's bonus plan, the Committee may adjust upward beyond 100% or downward below 100% the corporate bonus target levels upon which bonus payments are made based upon

over-achievement or under-achievement, as applicable, of the Company's corporate goals and objectives;

- review and approve the compensation of other employees of the Company that the Committee may specify from time to time, and delegate authority to specified executive officer(s) to review and approve the compensation of other non-executive officer employees.
- The Committee shall review with the principal executive officer and any other officer or member of management, as appropriate, the material criteria used by the principal executive officer and management in evaluating employee performance throughout the Company and in establishing appropriate compensation, retention, incentive, severance and benefit policies and programs.
- The Committee shall review and reassess no less than once every two years (and where appropriate, make such recommendations to the Board as the Committee deems advisable with regard to) the Company's processes and procedures for the consideration and determination of director and executive compensation, and review and discuss with management any description of such processes and procedures to be included in the Company's proxy statement.
- The Committee shall provide oversight regarding the Company's public disclosure of director and executive compensation information and shall prepare the Compensation Committee Report and any analysis or report on executive compensation required to be included in the Company's proxy statement, annual report on Form 10-K and periodic reports pursuant to applicable federal securities rules and regulations, and recommend the inclusion of such analysis or report in the Company's proxy statement and periodic reports.
- The Committee shall annually review the compensation of the Company's directors and recommend changes to the compensation of the Board.
- The Committee shall oversee the administration of, and periodically review and make changes to, the incentive compensation plans, equity-based compensation plans, and any material employee benefit, bonus, retirement, severance and other compensation plans of the Company. The Committee may delegate authority to specified member(s) of the Committee or executive officer(s) to review and approve equity awards to certain non-officer employees as the Committee may specify from time to time in accordance with the plan under which such awards are made.
- The Committee shall perform such duties and responsibilities as may be assigned to the Committee under the terms of any compensation plan of the Company.
- The Committee shall review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.
- At the direction of the Nominating and Governance Committee, the Committee shall

perform an annual performance evaluation of the Committee and report to the Board on the results of such evaluation.

In addition to the specific powers set forth in this Charter, the Committee shall have such powers as may be necessary or appropriate for it to efficiently carry out its duties hereunder.

### **General**

- The Committee shall regularly update the Board about its activities and recommendations.
- The Committee shall have full access to all books and records of the Company in carrying out its duties under this charter.
- To carry out its duties and responsibilities, the Committee, in its sole discretion, may retain and, in the event of such retention, shall be directly responsible for appointment, compensation and oversight of a compensation consulting firm, legal counsel and other advisors as it deems appropriate to assist it in the evaluation of the compensation of directors, the principal executive officer or the other executive and non-executive officers of the Company, and the fulfillment of its other duties. The Committee shall have sole authority to approve reasonable related fees and retention terms of any such consulting firm, legal counsel or other advisor and the Company must provide the appropriate funding. Before the Committee selects, or receives advice from, a compensation consultant, legal counsel or other advisor to the Committee (other than in-house legal counsel, if any), the Committee shall take into consideration the following factors:
  - the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other advisor;
  - the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other advisor, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other advisor;
  - the policies and procedures of the person that employs the compensation consultant, legal counsel or other advisor that are designed to prevent conflicts of interest;
  - any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the Committee;
  - any stock of the Company owned by the compensation consultant, legal counsel or other advisor; and,
  - any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of the Company; provided, however, that the Committee is not required to conduct an

independence assessment for a compensation advisor that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or (ii) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the advisor, and about which the advisor does not provide advice.

- The Committee may prohibit the Company from engaging a compensation consultant engaged by the Committee, or an affiliate of any such compensation consultant, to provide any other services to the Company without the approval of the Committee.
- The Committee may review and discuss with the Nominating and Governance Committee corporate succession plans for the Company's principal executive officer and other key officers of the Company.
- The Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Committee deems it appropriate to do so in order to carry out its responsibilities.
- The Committee shall make regular reports to the Board concerning areas of the Committee's responsibility.
- In carrying out its responsibilities, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Committee may consult. The Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Committee or meet with any members of or advisors to the Committee.
- The Committee shall perform such other functions as may be requested by the Board from time to time.

Adopted by the Board on October 2, 2015.

Amended by the Board on October 6, 2016.

Amended by the Board on October 5, 2017.