

**COMPENSATION COMMITTEE OF  
THE BOARD OF DIRECTORS OF  
MACROGENICS, INC.**

**Charter**

**PURPOSE**

The following charter (the “*Charter*”) governs the operations of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of MacroGenics, Inc. (the “*Company*”).

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation.

**ORGANIZATION AND MEMBERSHIP**

The Committee shall be composed of no fewer than two directors. The members of the Committee and the Chair of the Committee shall be elected by the Board at the annual organizational meeting of the Board following the annual meeting of stockholders and shall serve until their successors shall be duly elected and qualified or their earlier death, resignation, or removal.

Each member of the Committee shall be an “independent director” as such term is defined under the Company’s independence standards, the listing standards of the Nasdaq Stock Market (“*Nasdaq*”), as amended from time to time, and the rules and regulations of the Securities and Exchange Commission (“*SEC*”) and should:

- qualify as a “non-employee director” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934 (the “*Exchange Act*”).
- not accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company, other than compensation for their services as members of the Board or the Committee.
- not be an affiliated person, as defined by Rule 10A-3 under the Exchange Act.

**DUTIES AND RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities:

- To review and evaluate on an annual basis the Company’s compensation philosophy for executive officers.

- To review and approve annually the corporate and individual goals and objectives applicable to the compensation of the chief executive officer (“**CEO**”), evaluate at least annually the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s compensation level based on this evaluation. The CEO may not be present during any voting or associated deliberations by the Committee on his or her compensation.
- To determine and approve the compensation paid to the Company’s executive officers, as required by Rule 16b-3 under the Exchange Act. The Committee will report all compensation-related decisions to the Board.
- To review and approve incentive compensation plans and equity-based plans, which includes the ability to adopt, amend and terminate such plans to the extent they pertain to executive officers. The Committee shall also have the authority to administer the Company’s incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan, and to delegate some or all of that authority to the CEO to make equity grants to new hires other than executive officers.
- To oversee the implementation of and conduct periodic review over the Company’s stock ownership guidelines or retention requirements for the Company’s executive officers, if any.
- To assess and monitor compensation arrangements periodically to confirm that incentive pay does not encourage unwarranted risk taking and to review and discuss, at least annually, the relationship between risk management policies and practices, corporate strategy and executive compensation.
- To approve and modify, as needed (or recommend to the Board for approval or modification), clawback policies allowing the Company to recoup compensation paid to employees in accordance with applicable law and stock exchange requirements.
- To review and discuss with management the Company’s Compensation Discussion and Analysis (“**CD&A**”), if and when required, recommend that the CD&A be included in the Company’s annual report on Form 10-K or proxy statement and produce the compensation committee report on executive officer compensation required to be included in the Company’s proxy statement or annual report on Form 10-K, as each may be required by the rules and regulations of the SEC.
- To annually review and recommend to the Board the type and amount of compensation to be paid or awarded to directors, including any retainer, Board meeting, committee and committee chair fees and equity grants.
- To periodically review the Company's human capital strategies, initiatives, and programs with respect to the Company's culture, talent, recruitment, retention, employee engagement, and employee diversity, equity, and inclusion efforts.

- In discharging its duties, the Committee shall consider and take into account, as it deems appropriate, any votes of stockholders on compensation matters, including, but not limited to, any stockholder advisory votes on the compensation of the Company's executive officers. In addition, the Committee shall oversee the Company's compliance with applicable rules and regulations regarding stockholder votes on compensation matters, including, but not limited to, stockholder advisory votes on executive compensation, the frequency of such votes, stockholder advisory votes on golden parachute compensation, and Nasdaq listing standards requiring stockholder approval of certain equity compensation plans.
- Review the Committee's Charter and make recommendations to the Board on an annual basis and as needed.
- Review the Committee's performance on an annual basis and present the results of its self-assessment and performance evaluation to the Board or its designee.
- Report Committee actions to the Board with such recommendations, as the Committee may deem appropriate.

## **ACCESS**

The Committee is at all times authorized to have direct, independent, and confidential access to the Company's other directors, management, and other personnel to carry out the Committee's purposes. The Committee is authorized to conduct or authorize investigations into any matters relating to the purposes, duties, or responsibilities of the Committee. The Committee shall establish policies with respect to the participation of the Company's CEO, other executive officers and management in the activities and processes of the Committee.

## **OUTSIDE ADVISERS**

The Committee shall have the authority, in its sole discretion, to select, retain, and terminate any compensation consultant, legal counsel or other advisers as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall have sole authority to approve such legal counsel's or other adviser's fees and other retention terms.

The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board of Directors, for payment of: (1) compensation to any compensation consultant, legal counsel or other advisers employed by the Committee under the foregoing paragraph and (2) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall evaluate whether any compensation consultant, legal counsel or other Committee adviser retained or to be retained by it has any conflict of interest. In making such evaluation, the Committee will take into consideration whether the consultant, counsel or advisor is an affiliate of the Company as well as whether the Company paid any compensation to the consultant, counsel, or adviser.

The Committee will also consider the following independence factors, as well as any other factors identified by the Nasdaq listing standards:

- the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel, or other adviser;
- the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- any stock of the Company owned by the compensation consultant, legal counsel, or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser, or the person employing the adviser with an executive officer of the Company.

The Committee may retain, or receive advice from, any adviser it prefers, including ones that are not independent, after considering the independence factors described herein.

The Committee is not required to assess the independence of any adviser that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the adviser and about which the adviser does not provide advice.

## **MEETINGS**

The Committee shall meet at least two times per year or more frequently as circumstances require. Except as otherwise provided by this Charter or by applicable laws or regulations, as amended from time to time:

(1) a majority of the members of the Committee entitled to vote, either present in person or by means of remote communication shall constitute a quorum for the transaction of business at all meetings of the Committee and (2) all actions of the Committee shall be by affirmative vote of a majority of those members so determined to be present. Actions of the Committee may be taken by voice vote and a record thereof included in the minutes of the meeting or may be taken by unanimous consent by the members voting for the action. Any such unanimous consent may be delivered in counterparts. The Chair of the Committee will lead all Committee meetings. If the Chair of the Committee is absent from any meeting of the Committee, the remaining members of the Committee present at such meeting will select a member of the Committee who is present at

the meeting to lead the meeting. All other Board members are permitted to attend meetings of the Committee.

The CEO and other officers of the Company shall not be present when their compensation or performance is discussed or determined by the Committee.

## **MINUTES**

The minutes of all Committee meetings shall be prepared by a secretary of the meeting designated by the Committee and distributed to all Committee members for approval at a subsequent meeting. These minutes shall be retained with the Company's permanent corporate records.

## **DELEGATION OF AUTHORITY**

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.