

# PUMA BIOTECHNOLOGY, INC.

## COMPENSATION COMMITTEE CHARTER

(As of 5/21/19)

### I. Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Puma Biotechnology, Inc. (the “Company”) is to oversee the discharge of the responsibilities of the Board relating to compensation of the Company’s executive officers and directors. The Committee shall ensure that the Company’s compensation programs are designed to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company’s stockholders.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws (as in effect from time to time) and applicable law. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without the requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

### II. Membership

The Committee shall consist of no fewer than three (3) directors, with the exact number being determined by the Board, each of whom must satisfy the independence requirements of the securities exchange on which the Company’s securities are listed and the heightened independence requirements set forth in the Company’s Corporate Governance Guidelines, subject to any available exception. At least two members of the Committee shall qualify as “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

All members of the Committee, including the chairperson of the Committee (the “Chair”), shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee and shall serve at the discretion of the Board for such term or terms as the Board may determine. Each member of the Committee may be removed from the Committee, with or without cause, by the Board.

### III. Meetings and Procedures

The Committee shall meet at least two (2) times per year and more frequently as the Committee deems desirable. Meetings of the Committee may be called by the Chair of the

Committee upon notice given at least twenty-four (24) hours prior to the meeting, or upon such shorter notice as shall be approved by the Committee. The Chair (or in his or her absence, a member designated by the Committee members present at such meeting) shall preside at each Committee meeting and shall set the agenda for each meeting of the Committee. The Chair of the Committee shall designate a secretary for each meeting who shall record minutes of all formal actions of the Committee. A majority of the Committee members, present in person or by phone, shall constitute a quorum. A majority of the members present shall decide any questions brought before the Committee, except to the extent otherwise required by the Company's certificate of incorporation or bylaws (each as in effect from time to time). The Committee shall have the authority to fix its own rules of procedure and shall hold its meetings as provided by such rules and so long as such rules are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee. Meetings of the Committee may be held by phone. Unless otherwise restricted by the Company's bylaws, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all members of the Committee consent thereto in writing, and such writing is filed with the minutes of the Committee.

All independent directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee, in its sole discretion, may include in its meetings any member of the Company's management and any other person whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may exclude from its meetings any person it deems appropriate, including, but not limited to, any independent director who is not a member of the Committee.

Consistent with any applicable requirements of the Exchange Act and the securities exchange on which the Company's securities are listed, the Committee: (i) may, in its sole discretion, retain or obtain the advice of, and terminate, a compensation consultant, legal counsel or other advisor ("compensation advisors"); (ii) shall be directly responsible for the appointment, determination of compensation and oversight of the work of any compensation advisor retained by the Committee; (iii) must, prior to any such retention or advice, take into consideration the applicable requirements of the securities exchange on which the Company's securities are listed relevant to the advisor's independence from the Company's management; and (iv) shall have such additional authority and responsibility as may be required from time to time under the rules and guidelines of the Exchange Act and the securities exchange on which the Company's securities are listed. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation advisor retained by the Committee.

The Committee shall keep regular minutes of any meetings where actions are taken (unless such actions are taken and reported to the Committee's satisfaction in the minutes of the Board meetings). Any such minutes kept by the Committee shall be distributed to each member of the Committee and other members of the Board. The Secretary of the Company shall maintain the original signed minutes for filing with the corporate records of the Company. The Chair shall report to the Board regarding the activities of the Committee at appropriate times and as otherwise requested by the Chairperson of the Board.

#### **IV. Duties and Responsibilities**

1. The Committee shall, at least annually, review the compensation philosophy of the Company.

2. The Committee shall obtain information on market trends in executive compensation and shall review the competitiveness of the Company's executive compensation programs to ensure (a) the attraction and retention of executive officers; (b) the motivation of executive officers to achieve the Company's business objectives; and (c) the alignment of the interests of executive officers with the long-term interests of the Company's stockholders.

3. The Committee shall, at least annually, review and approve the corporate goals and objectives relevant to CEO and other executive officer compensation, evaluate CEO and executive officer performance in light of those goals and objectives, consider CEO and executive officer performance in regards to legal compliance and compliance with the Company's internal policies and procedures and, either on its own or together with the other independent directors on the Board, determine and approve all compensation of the CEO and executive officers based on such evaluation. The CEO shall not be present during any final Committee deliberations or voting concerning the compensation of any executive officer, and the CEO shall not be present during any Committee deliberations or voting on his or her compensation.

4. The Committee shall, periodically and as and when appropriate, review and approve the following as they affect the CEO and executive officers: (a) any employment agreements and severance arrangements; (b) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (c) any special or supplemental compensation and benefits for the CEO and executive officers and individuals who formerly served as CEO and executive officers, including supplemental retirement benefits and the perquisites provided to them during and after employment.

5. The Committee shall, in connection with the termination of employment or service of the CEO or other executive officers, determine and/or approve severance payments and/or benefits for the CEO or other executive officers, if any, and in connection therewith shall consider the circumstances surrounding the executive's termination of employment or service, as well as his or her performance as it relates to legal compliance and compliance with the Company's internal policies and procedures; provided, however, that such consideration shall not apply to any severance payments or benefits that may be paid or provided to the executive pursuant to a Company plan, policy, agreement or other arrangement covering such executive, whether currently in existence or adopted or approved hereafter.

6. The Committee shall oversee the Company's compliance with the requirement under rules of the securities exchange on which the Company's securities are listed that, with limited exceptions, shareholders approve equity compensation plans. Subject to such shareholder approval, or otherwise required by the Exchange Act, the Internal Revenue Code of 1986, as amended, or other applicable law, the Committee shall have the power to establish, amend and, where appropriate, terminate incentive compensation plans, equity-based plans, benefit plans, and other bonus arrangements for the Company; and pursuant to the terms of such plans, as may at the time be in effect, administer such plans and make appropriate interpretations and

determinations and take such actions as shall be necessary or desirable thereunder, including approval of awards granted pursuant to such plans and repurchase of securities from terminated employees.

7. The Committee shall monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits. The Committee shall manage and review any employee loans in an amount equal to or greater than \$25,000 or, in the event the total loans to all employees shall at any time exceed \$500,000 in aggregate amount outstanding, all further loans made at any time when the aggregate amount of outstanding loans exceeds \$500,000.

8. The Committee shall periodically review compensation policies applicable to all employees of the Company, including the adequacy of the Company's compensation structure, performance review procedures, employee turn-over and retention, successorship plans and other human resource issues. The Committee shall receive periodic reports on the Company's compensation programs as they affect all employees.

9. The Committee shall review and discuss with the management of the Company the Compensation Discussion and Analysis ("CD&A"), and based on such discussions, determine whether to recommend to the Board that the CD&A be included in the Company's proxy statement and/or Annual Report on Form 10-K.

10. The Committee shall produce the annual Compensation Committee Report for inclusion in the Company's proxy statement in compliance with the rules and regulations promulgated by the Securities and Exchange Commission.

11. The Committee shall periodically review and make recommendations to the Board with respect to the compensation of the Board's independent directors. In addition, the Committee shall, at the end of each year, review the independent director compensation and benefits.

12. The Committee shall recommend to the Board the employment and appointment of future executive officers, as well as promotion and changes in position of incumbent executive officers upon review of their performance.

13. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee. Additionally, the Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

## **V. Delegation of Duties**

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, but only to the extent consistent with the Company's certificate of incorporation, bylaws, Corporate Governance Guidelines, the listing

standards of the securities exchange on which the Company's securities are listed, and other applicable law.

**VI. Disclosure of Charter**

This Charter, as it may be amended from time to time, will be made available on the Company's website.