



Theseus Pharmaceuticals, Inc. Corporate Governance Guidelines

(as adopted by the Board of Directors on September 14, 2021 and effective as of the effective date of the Company's registration statement on Form S-1)

A. Introduction

The Board of Directors (the “**Board**”) of Theseus Pharmaceuticals, Inc. (the “**Company**”) has adopted these Corporate Governance Guidelines to provide a framework within which the Board may conduct its oversight of the business and affairs of the Company to serve as the ultimate decision-making body of the Company.

B. Role of the Board and Management

The Company's business is conducted by its employees, managers, and officers, under the direction of the Company's Chief Executive Officer (the “**CEO**”) and the oversight of the Board, to enhance the long-term value of the Company and seek the best interests of its stockholders. The Board is elected by the stockholders to oversee management in its duties. In fulfilling their responsibilities, both management and the Board are informed by their fiduciary duties under applicable law. Both the Board and management recognize that the long-term interests of stockholders are advanced by responsibly addressing the concerns of other stakeholders and interested parties including employees, recruits, customers, suppliers, communities, government officials, and the public at large.

C. Principal Responsibilities and Duties of the Board

In addition to its general oversight of management, the Board also performs a number of specific functions as set forth below. These duties are set forth as a guide with the understanding that the Board will carry them out in a manner that is appropriate given the Company's needs and circumstances. The Board may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

1. Selecting the Chairperson of the Board and CEO

The Board will select the Chairperson of the Board (or Executive Chairperson) and the CEO in accordance with the Company's certificate of incorporation and bylaws

and based upon the best interests of the Company at any point in time. The duties of these officers are set forth in the Company's bylaws. The Board does not have a formal policy that requires the separation of these two roles. The Board may separate or combine the roles of the Chairperson of the Board and CEO when and if it deems it advisable and in the best interests of the Company and its stockholders to do so.

2. Selecting the Lead Independent Director

If the Chairperson of the Board is not an independent director, as defined under the rules of the exchange upon which the Company's common stock is primarily traded, the Board will appoint an independent director as the "**Lead Independent Director**," to facilitate communication between management, the independent directors, and the Chairperson of the Board. The Lead Independent Director will actively participate in setting agendas for Board meetings, preside at executive sessions of the Board, and perform such other duties as specified by the Board.

3. Selecting Other Officers

The Board is involved in the selection of other officers of the Company, including "executive officers," in accordance with the Company's bylaws.

4. Evaluating Management Performance and Compensation

The Board, primarily through the Compensation Committee, (i) oversees an annual evaluation of the Company's CEO and executive officers in light of established corporate goals and objectives and (ii) approves the form and amount of compensation paid to the CEO and executive officers of the Company.

5. Overseeing Management Succession Planning

The Nominating and Corporate Governance Committee, in consultation with the full Board, is primarily responsible for succession planning for the CEO, the CFO and the head of research and development. Succession planning can be critical in the event the CEO or other key executive officers should cease to serve for any reason, including resignation or unexpected disability, or if their service is temporarily disrupted. In addition, the Board believes that establishment of a strong management team is the best way to prepare for an unanticipated executive officer departure and will confer with the CEO to encourage management development programs.

6. Formulating Company Strategy

The Board is actively involved with management in formulating corporate strategy and annually reviews the Company's strategic plan as well as its annual operating plans, budgets and major corporate actions

7. Overseeing Risk Management, Legal and Ethical Compliance

The Board, as a whole, and through its standing committees, has responsibility for the oversight of the Company's risk management, legal and ethical compliance by considering that processes are in place for maintaining the integrity of the Company.

8. Managing Potential Conflicts of Interest and Maintaining Loyalty and Ethical Behavior

All members of the Board are expected to abide by the Company's Code of Conduct and to inform (i) the Nominating and Corporate Governance Committee of an actual or potential conflict of interest or (ii) the Audit Committee of a "related person transaction." If a director has a personal interest in a matter before the Board, the director must disclose the interest to the Board, excuse himself or herself from discussion, and abstain from voting, on the matter. Each member of the Board owes fiduciary duties to the Company including the duty of loyalty and the duty to act in the best interest of the Company.

9. Ensuring the Integrity of Financial Reporting

The Audit Committee oversees the integrity of the Company's accounting and financial reporting systems, including overseeing the audit of the Company's annual financial statements by independent auditors, and assessing the Company's disclosure controls and procedures and systems of internal control.

D. Board Structure and Composition

1. Board Size

The authorized number of directors will be determined from time to time by resolution of the Board, in accordance with the Company's bylaws. The size of the Board may vary based upon a number of factors including business needs and the availability of qualified candidates. Board size should facilitate active interaction and participation by all Board members.

2. Board Membership Criteria and Appointment

The Nominating and Corporate Governance Committee will (i) evaluate candidates for membership on the Board, including candidates nominated or recommended by stockholders, based on criteria established by the Board and (ii) recommend to the Board a slate of nominees for election at the annual meeting of stockholders or nominees to fill interim vacancies on the Board. The Board criteria established by the Nominating and Corporate Governance Committee may include, in no particular order of importance: (i) various and relevant career experience, (ii) relevant skills, such as an understanding of the Company's business and technology, (iii) financial expertise, (iv) diversity and (v) local and community ties.

3. Director Independence

A majority of directors on the Board will be “independent directors” as defined in the Rules, except as may otherwise be permitted by or otherwise satisfy the requirements of such Rules. Each independent director who experiences a change in circumstances that could affect such director’s independence should deliver a notice of such change to the Company’s Secretary. The Board also believes that it is in the best interest of the Company and its stockholders to have certain non-independent directors serve on the Board, such as current members of management.

4. Director Elections

Classes of directors are reelected each year. The Board is staggered into three classes of directors, and directors may be nominated for re-election according to their tenure as set forth in the Company’s certificate of incorporation. Each director elected at an annual meeting shall serve a term of three years. Directors shall be elected by a plurality of the voting power of the shares present, in person or represented by proxy, at a meeting and entitled to vote on the election of directors.

5. Extending the Invitation to Join the Board to a New Director

An invitation to join the Board should be extended by the Chairperson of the Board on behalf of the entire Board.

6. Notifying a Director of Non-Inclusion on a Proposed Slate of Director Nominees

Any proposal to decrease the size of the Board, or to substitute a new director for an existing director, should be made first by the Nominating and Corporate Governance Committee, then approved by the full Board. After receipt of a recommendation from the Nominating and Corporate Governance Committee that a director not be included on a proposed slate of director nominees, the Chairperson of the Board should notify the director of such recommendation prior to the meeting of the Board at which the slate of nominees is proposed to be approved.

7. Term Limits

The Board believes that directors should not have “unlimited tenure.” The Nominating and Corporate Governance Committee should consider, prior to each annual meeting, whether each director eligible for reelection should stand for reelection.

8. Changes in Director Status

In the event any director’s affiliation or position of principal employment changes substantially, or they suffer a change in circumstances that adversely affects their capacity to serve as a member of the Board, that director shall tender for consideration by the Board such director’s irrevocable, conditional resignation that will be effective

only upon Board acceptance of such resignation. The Board, in consultation with the Nominating and Corporate Governance Committee, shall review such resignation and determine whether or not to accept such resignation after consideration of the new circumstances. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation. The Nominating and Corporate Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation. The Board does not believe that in every instance such resignation should necessarily be accepted.

9. Multiple Board Seats

Directors should advise the Nominating and Corporate Governance Committee of any invitations to join the board of directors of any other public company or changes to their committee membership prior to accepting the directorship or committee membership. The Board, through the Nominating and Corporate Governance Committee, will review the appropriateness of the continued service of a director who changes the role, position or areas of responsibility that he or she held when he or she was elected to the Board.

Service on other boards or committees should be consistent with the Company's conflict of interest provisions of the Company's Code of Conduct.

E. Board Procedures

1. Frequency of Meetings

Regular meetings of the Board shall be held at such times and places as the Board determines. The CEO, in consultation with the Chairperson of the Board or the Lead Independent Director, will set the time, place, and expected length of the Board meetings. There will be at least four regularly scheduled meetings of the Board each year but the Board may meet more often as needed. The Board should review the Company's long-term strategic plans and risk management during at least one Board meeting per year. Directors are also expected to make themselves available outside of Board meetings for advice and consultation.

2. Agenda for Meetings

The CEO, in consultation with the Chairperson of the Board or the Lead Independent Director, will set the agenda for each Board meeting. Each director may request items to be included on the agenda, request the presence of, or any report by, any member of management, and may raise at any Board meeting subjects which are not on the agenda.

3. Board Materials

The business of the Board should be organized so that the matters subject to Board oversight receive the appropriate attention of the Board. Accordingly, to the extent possible, the relevant information important to the Board's understanding of matters to be discussed at a meeting and the current status of the Company's business should be distributed to the Board with sufficient time for the directors to read and prepare for the meeting and to conserve appropriate time for discussion. On those occasions when the subject matter is too sensitive to be distributed, the subject will be introduced at the meeting.

4. Board Attendance and Participation

Directors are expected to prepare for, attend (in person, via telephone or via video conference), and contribute meaningfully in all Board and applicable committee meetings (and, in no event, fewer than 75% of such meetings). Consistent with their fiduciary duties, directors are expected to maintain the confidentiality of the information they receive as a director and the deliberations of the Board and its committees.

5. Executive Sessions of Independent Directors

Executive sessions of non-management directors are held at each of the four regularly scheduled meetings each year, and at such other times as may be requested by the non-executive Chairperson or the Lead Independent Director or one or more non-management directors. Executive sessions including only independent directors are held at least once a year. The Chairperson of the Board, if an independent director, or the Lead Independent Director presides over executive sessions of the Board.

6. Regular Attendance of Management at Board Meetings

Certain members of management (e.g., the Company's Chief Financial Officer (the "CFO"), general counsel, vice president, legal or their designees and/or such other members of the executive team as the CEO may from time to time designate) may attend Board meetings on a regular basis. Other members of management and staff may be asked to attend meetings and present reports from time to time. Furthermore, facilitating the Board's exposure to management other than the CEO and CFO may help the Board administer its responsibilities with respect to succession planning. It is understood that Company personnel and others attending Board meetings may be asked to leave the meeting in order for the Board to meet in executive session.

7. Access to Officers and Employees

Board members should have full access to any officer or employee, either as a group or individually, and to Company information that they believe is necessary to fulfill their obligations as Board members. Board members should use their judgment to ensure

that any such contact or communication is not disruptive to the business operations of the Company.

8. Authority to Retain Advisors

The Board shall have the authority, in its sole discretion, to retain or obtain the advice of any advisors as it determines necessary to carry out its duties. The Board shall be directly responsible for the appointment, compensation, retention, and oversight of the work of such advisors, and the Company must provide for appropriate funding, as determined by the Board, for payment of reasonable fees to any such advisor retained by the Board. The Company will also provide for the payment of any administrative expenses of the Board that are necessary or appropriate in carrying out its activities.

F. Board Committees

1. Number and Independence of Committees

The standing Board committees are the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. The Board may choose to form a new standing or ad hoc committee or disband a current committee as dictated by the needs of the Board. Each standing committee complies with the independence and other requirements established by applicable law and regulations, including the Rules and the rules and regulations of the Securities and Exchange Commission, except as may otherwise be permitted by or otherwise satisfy the requirements of such rules.

2. Committee Charters and Delegation of Authority

Each committee will have a charter that is approved by the Board. The principal responsibilities and duties of each committee will be set forth in the committee's charter. These duties are set forth as a guide with the understanding that the committee will carry them out in a manner that is appropriate given the Company's needs and circumstances. The Board or committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

As a general matter, each committee will exercise the powers of the Board and perform such duties and responsibilities as may be assigned to the committee. For the avoidance of doubt, to the extent permitted by law or regulation, any action that may or is to be taken by a committee may be taken directly by the Board in lieu of committee action.

3. Assignment and Rotation of Committee Members

Members of each committee are appointed by and are members of the Board. The Board determines the exact number of committee members and can at any time add,

remove or replace a committee member. Committee members should be appointed (or reappointed), and chairs of each committee designated, by the full Board, annually upon recommendation by the Nominating and Corporate Governance Committee. While composition of the committees should be reviewed each year to make certain that these committees are operating effectively, it is the Board's belief that continuity of experience in the specific functions of these committees provides a significant benefit to the stockholders and to management. Generally, each committee member should be considered for rotation when such member has served five consecutive years on a particular committee and each committee chair should be considered for rotation every five years. In making the decision for rotation of committee membership and chair position, the Board should take into consideration the expertise of the individual committee member and the expertise of the other directors available for these positions.

4. Committee Proceedings

Committee proceedings, including frequency, length and agendas of meetings, shall be conducted in accordance with the provisions of each committee's charter. Committees of the Board may also meet in executive session.

G. Director Orientation and Continuing Education

The Company should assist new directors in learning about the Company and its business and introduce them to the Company's senior management. The Company encourages directors to participate in continuing education programs focused on the Company's business and industry and legal and ethical responsibilities of board members. The Company, at its discretion, will reimburse directors for reasonable expenses incurred in connection with such education programs.

H. Board Compensation

The Board, upon the recommendation of the Compensation Committee, approves the form and amount of cash- and equity-based and other compensation to be paid to the non-employee members of the Board.

I. Stock Ownership Requirements

The Board strongly encourages the directors to own shares of the Company. The Company may establish a policy requiring ownership by directors of the Company's shares.

J. Board Communication with Company Stakeholders

1. Communications with Stakeholders

The Board believes that management speaks for the Company. Each director should refer all inquiries from the press or others regarding the Company's operations to

management. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Board members would do this with knowledge of management and, in most instances, only at the request of management.

2. Stockholder Communications with Independent Directors

Stockholders and any interested party may communicate directly with the independent directors either by writing to the Board, a Board committee, or an individual director at the Company's principal executive offices or by emailing TheseusBOD@theseuspharma.com. Management receives all letters and emails sent and forwards proper communications to the Board, a Board committee, or an individual director, who facilitates an appropriate response. Management generally will not forward communications that are primarily solicitations for products or services, matters of a personal nature that are not relevant for stockholders, matters that are of a type that render them improper or irrelevant to the functioning of the Board, or requests for general information about the Company.

3. Annual Meeting of Stockholders.

Each director is encouraged to attend the annual meeting of stockholders.

K. Board Performance

The Board, with the oversight of the Nominating and Corporate Governance Committee, undergoes a periodic evaluation process which includes evaluating (i) the performance of the Board as a whole, each Board committee and each individual director, and (ii) the qualifications and performance of Board members eligible for reelection. The Nominating and Corporate Governance Committee should report to the Board on the evaluation process, and the Board should consider and discuss the committee's report.

L. Periodic Review of the Corporate Governance Guidelines

The Nominating and Corporate Governance Committee periodically reviews the effectiveness of these Corporate Governance Guidelines and recommends proposed changes to the Board.