

## COMPENSATION COMMITTEE CHARTER

The board of directors (the “Board”) of the Intec Pharma Ltd. (the “Company”) has constituted and established a compensation committee (the “Committee”) with the authority, responsibility and specific duties as described in this Compensation Committee Charter (this “Charter”).

This Charter does not derogate from nor supersede, and instead will be read in conjunction with, the terms set forth in the Compensation Policy (the “Compensation Policy”) as amended on November 20, 2018 (as may be amended from time to time), in accordance with the requirements set forth under the Israeli Companies Law, 5759-1999 and the regulations promulgated thereunder (the “Companies Law”). If any term of this Charter contradicts the requirements under the Companies Law relating to the Compensation Policy, or the Compensation Policy itself, then the terms of the Companies Law and the Compensation Policy, as applicable, will prevail.

### **I. General Statement of Purpose**

The purpose of the Committee is to: (i) discharge its responsibilities under the Companies Law relating to compensation of the Company’s directors and executive officers; (ii) assist the Board in establishing appropriate incentive compensation and equity-based plans and to administer such plans; (iii) oversee the annual process of evaluation of the performance of the Company’s management; and (iv) perform such other duties and responsibilities as enumerated in and consistent with this Charter.

### **II Duties and Responsibilities**

The principal responsibilities and duties of the Committee in serving the purposes outlined in Article I of this Charter are set forth below. 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 Committee may engage in such other activities, and establish such policies and procedures, from time to time as it deems necessary or advisable in implementing this Charter and fulfilling its responsibilities.

- Assist the Board in discharging its responsibilities relating to (i) the compensation of the Company’s directors, chief executive officer and other executive officers, and (ii) the overall Company’s compensation programs.
- Review and, if required by applicable law, approve corporate goals and objectives relevant to the compensation of the chief executive officer and other executive officers, consistent with the Compensation Policy, evaluate the performance of the chief executive officer and other executive officers subject to the Compensation Policy in light of such goals and objectives, and approve, subject to any further approvals required under applicable law, the compensation of the chief executive officer and other executive officers based on such evaluation.
- Recommend to the Board for its approval the Compensation Policy, in accordance with the requirements of the Companies Law and any other compensation policies, incentive-based compensation plans and equity-based

plans (collectively, the “Compensation Plans and Policies”).

- Oversee the development and implementation of the Compensation Plans and Policies that are appropriate for the Company in light of all relevant circumstances and recommend to the Board any amendments or modifications to the Compensation Plans and Policies that the Committee deems appropriate, including the extension of Compensation Plans and Policies as required by the Companies Law.
- Determine whether to approve transactions concerning the terms of engagement and employment of the Company’s chief executive officer, other executive officers and directors that require Committee approval under the Companies Law or the Compensation Plans and Policies.
- Review and approve, or if required by applicable law, approve and recommend for approval by the Board, grants and awards under the Company's equity incentive plans.
- If the Company is required by applicable Securities and Exchange Commission (“SEC”) rules to include a Compensation Discussion and Analysis (“CD&A”), review the CD&A prepared by management, discuss the CD&A with management and, based on such review and discussions, determine whether or not to recommend to the Board that the CD&A be included in the Company’s Annual Report on Form 10-K, proxy statement, or any other applicable filing as required by the SEC.
- Prepare and review the Committee report on executive compensation included in the Company’s annual proxy statement in accordance with applicable rules and regulations of the SEC in effect from time to time.
- Oversee the Company’s compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the The Nasdaq Stock Market Rules that, with limited exceptions, shareholders approve equity compensation plans.
- To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.
- Review the adequacy of this Charter on an annual basis, and recommend to the Board any amendments or modifications to the Charter that the Committee deems appropriate.
- Take any further actions as the Committee is required or allowed to under the Companies Law or the Compensation Plans and Policies.

### **III. Committee Composition**

The number of individuals serving on the Committee shall be fixed by the Board

from time to time but shall consist of no fewer than three (3) members, each of whom shall satisfy the independence standards established pursuant to Listing Rule 5605(a)(2) of The Nasdaq Stock Market Rules (also taking into consideration the enhanced independence requirements set forth in Listing Rule 5605(d)(2)(A) of The Nasdaq Stock Market Rules). Each Committee member may also be required to satisfy, as determined by the Board from time to time the (i) “non-employee director” standard within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, (ii) an “outside director” under Regulation Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (“Section 162(m)”), only to the extent required in order to obtain deductibility under Section 162(m); (iii) any other qualifications determined by the Board or its Nominating and Corporate Governance Committee from time to time; and (iv) any other requirements imposed by the rules and regulations of the SEC and other applicable laws. The Chairman of the Board shall not serve as a member of the Committee.

The members of the Committee shall be appointed by the Board, and may be replaced or removed by the Board 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 this Committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Committee to serve as Chairperson of the Committee. All rights available to members of the Committee in their capacities as directors of the Company shall be fully applicable with respect to their service on the Committee or any subcommittee thereof.

#### **IV. Meetings**

The Committee shall meet as necessary in person or by teleconference (using telephone or other communications equipment) by means of which all persons participating in the meeting can hear each other. 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. Subject to the restrictions of the Compensation Plans and Policies, the Committee may act by unanimous written consent in lieu of a meeting. The Committee shall maintain written minutes, which minutes shall be maintained with the books and records of the Company.

Committee's actions shall be reported to the Board with such conclusions or recommendations on an ongoing basis. Such conclusions or recommendations which are subject to the approval of the Board will be brought to the attention of the directors a reasonable period of time prior to the discussion of such conclusions at the meeting of the Board.

#### **V. Advisers**

The Committee may, in its sole discretion, retain or obtain the advice of compensation consultants, legal counsels (other than the Company's in-house legal counsel, if any) and other advisers (collectively, “Advisers”). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Adviser retained by it, and the Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any Adviser retained by the Committee.

In determining whether to retain any person to serve as an Adviser, the Committee shall take into consideration the following factors: (i) the provision of other services to the Company by the person that employs the Adviser; (ii) the amount of fees received from the Company by the person that employs the Adviser, as a percentage of the total revenue of the person that employs the Adviser; (iii) the policies and procedures of the person that employs the Adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Adviser with a member of the Committee; (v) any share capital of the Company owned by the Adviser; and (vi) any business or personal relationship of the Adviser or the person employing the Adviser with officers, directors or executives of the Company.

Nothing in this Article V shall be construed to require the Committee to implement or act consistently with the advice or recommendations of the Advisers, or to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

The Committee shall conduct the independence assessment outlined in this Article IV with respect to any Adviser. However, after considering the six independence factors outlined above, the Committee may select, or receive advice from, any Adviser, including ones that are not independent.

In addition, notwithstanding the above, the Committee shall not be required to take into considerations the independence factors set forth above prior to retaining Advisors that act in a role limited to the following activities: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of officers, executives 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 Adviser, and about which the Adviser does not provide advice.

## **VI. General**

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 any Advisers with whom the Committee may consult. Subject to anything contained in this Charter, 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 Advisers to, the Committee. The chief executive officer cannot be present during any voting or deliberations by the Committee on his or her compensation.

The Committee may perform such other functions as may be requested by the Board from time to time.

ADOPTED ON: November 20, 2018