UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 19, 2024

Zymeworks Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-41535**	**88-3099146**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

108 Patriot Drive, Suite A **Middletown, Delaware** **(Address of principal executive offices)**	**19709** **(Zip Code)**

(302) 274-8744
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.00001 per share	ZYME	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Appointment of Executive Vice President, Chief Business Officer and Chief Financial Officer

On July 19, 2024, the Board of Directors (the "Board") of Zymeworks Inc. (the "Company") appointed Ms. Leone Patterson, age 61, as Executive Vice President, Chief Business Officer and Chief Financial Officer of the Company, effective upon her commencement of employment with the Company, which is anticipated to be September 1, 2024 (the "Start Date"). Upon commencement of her employment with the Company, Ms. Patterson will assume the duties of the Company's principal financial officer and principal accounting officer.

Ms. Patterson has served as Chief Financial Officer and Business Officer of Tenaya Therapeutics, Inc. since June 2021. Prior to joining Tenaya Therapeutics, Inc., Ms. Patterson joined Adverum Biotechnologies, Inc., a public clinical-stage gene therapy company, in June 2016 as the Chief Financial Officer and also served as Chief Executive Officer from May 2018 to June 2020, director from October 2018 to June 2020, and President from July 2020 to June 2021. Ms. Patterson has held various senior positions at Diadexus, Inc., Transcept Pharmaceuticals, Inc., NetApp, Inc., Exelixis, Inc., Novartis AG, Chiron (acquired by Novartis AG), and KPMG. Ms. Patterson currently serves on the board of directors and as the chair of the audit committee of Nkarta, Inc., a publicly traded biotechnology company, and on the board of directors and as a member of the audit committee of Oxford Biomedica (UK) Limited, a publicly traded contract development and manufacturing organization focused on cell and gene therapy. She previously served as a member of the board of directors of Eliem Therapeutics, Inc. and Adverum Biotechnologies, Inc., both publicly traded biotechnology companies. Ms. Patterson holds a B.S. in Business Administration and Accounting from Chapman University and an Executive M.B.A. from St. Mary's College. Ms. Patterson is also a Certified Public Accountant (inactive status).

There are no arrangements or understandings between Ms. Patterson and any other persons pursuant to which she was appointed Executive Vice President, Chief Business Officer and Chief Financial Officer. There are also no family relationships between Ms. Patterson and any director or executive officer of the Company, and she has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

In connection with Ms. Patterson's appointment as Executive Vice President, Chief Business Officer and Chief Financial Officer, Zymeworks Biopharmaceuticals Inc. ("ZBI"), a wholly-owned subsidiary of the Company, and Ms. Patterson entered into an employment agreement dated July 19, 2024 (the "Employment Agreement"). The Employment Agreement does not have a specific term. Pursuant to the Employment Agreement, Ms. Patterson is entitled to the following compensation and benefits:

- An annual base salary of $485,000, with eligibility to earn an annual discretionary bonus of an initial amount of up to 45% of her annual base salary, based upon the achievement of certain Company goals determined by the Company. With respect to 2024, Ms. Patterson will be eligible to receive a prorated bonus with respect to the six-month period from July 1, 2024 through December 31, 2024.
- A signing bonus of $50,000 to be paid on the first scheduled pay day following the Start Date.
- As a material inducement to Ms. Patterson accepting employment, options to purchase 360,000 shares of the Company's common stock at an exercise price per share equal to the fair market value on the date of grant (the "Inducement Options"). 25% of the Inducement Options will vest and become exercisable on the one-year anniversary of the date of grant, and thereafter 1/36 of the remaining Inducement Options will vest on the last day of each month, until all of the Inducement Options have vested, subject to Ms. Patterson's continued service. The Inducement Options will be granted as an "inducement" grant pursuant to The Nasdaq Stock Market LLC ("Nasdaq") Listing Rule 5635(c)(4) and without stockholder approval. The Inducement Option grant is expected to be made under the Amended Inducement Plan (as defined and described below). The terms and conditions of the Inducement Options are substantially similar to options granted pursuant to the Company's Amended and Restated Stock Option and Equity Compensation Plan (the "Equity Compensation Plan"), but with such other terms and conditions intended to comply with the Nasdaq inducement award exception.
- Eligibility to participate in incentive programs for the Company's employees, including without limitation share option plans, share purchase plans, profit-sharing or bonus plans.
- Eligibility to participate in the Company's employee benefit plans generally available to employees of ZBI in accordance with their terms.
- If the Company terminates Ms. Patterson's employment without cause, then Ms. Patterson will be eligible to receive twelve months of notice or the equivalent of twelve months of base salary as of the date notice is given, or any combination thereof

that totals twelve months of combined notice and base salary. If termination of employment occurs on or after the commencement of the fourth year of employment, an additional one month of notice or the equivalent of one month of base salary as of the date notice is given, or any combination thereof, will be provided for each additional completed year of service, up to a total maximum of eighteen months. Ms. Patterson will also be eligible for continuation of group health and dental benefits through the applicable notice period, which may be provided by the Company paying for or reimbursing Ms. Patterson's COBRA premium costs for continuation coverage. Such payments will be subject to Ms. Patterson entering into a separation agreement and release of all claims on a form provided by the Company within 60 days of the date of her termination.

- If Ms. Patterson's employment is terminated by the Company without cause within twelve months following a Change of Control (as defined in the Employment Agreement), Ms. Patterson will be eligible to receive (x) as severance, payment of eighteen months of base salary as of the date of termination (with such severance payable over eighteen months, or to the extent available under Section 409A of the Internal Revenue Code, paid sooner, at the sole discretion of the Company), (y) eligibility for continuation of group extended health and dental benefits provided by the Company paying for her premium costs for COBRA continuation coverage for up to eighteen months following her termination date and (z) full vesting acceleration of all unvested and outstanding stock options or other equity grants as of the date of termination. Such payments will be subject to Ms. Patterson entering into a separation agreement and release of all claims on a form provided by the Company within 60 days of the date of her termination.

The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Employment Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. In connection with her appointment, Ms. Patterson will enter into a standard indemnification agreement in the form previously approved by the Board.

In connection with Ms. Patterson's appointment, Mr. Kenneth Galbraith is expected to resign as interim Chief Financial Officer, principal financial officer and principal accounting officer of the Company effective as of the Start Date. Following such anticipated resignation, Mr. Galbraith will continue in his roles as Chair of the Board, Chief Executive Officer and President, and the compensatory and other material terms of Mr. Galbraith's employment with the Company will remain unchanged. For information regarding Mr. Galbraith's existing compensation arrangements, please refer to the information contained in the section titled "Item 11. Executive Compensation—Executive Employment Arrangements and Potential Payments upon Termination or Change in Control" in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 6, 2024, which information is incorporated herein by reference.

Amended and Restated Inducement Plan

On July 19, 2024, the Board approved an amended and restated Inducement Stock Option and Equity Compensation Plan (the "Amended Inducement Plan"), which increased the number of shares of the Company's common stock available for future issuance pursuant to equity awards granted under the Amended Inducement Plan by 700,000 shares and made certain other non-material changes, including to update references to reflect the listing of the Company's common stock on, and applicability of inducement award rules under, Nasdaq. As a result of this increase, a total of 1,450,000 shares will have been available for issuance pursuant to awards under the Amended Inducement Plan since the inception of the plan in January 2022, of which stock options to purchase an aggregate of 700,000 shares of common stock were granted by the Company in 2022, leaving, as of immediately before the amendment and restatement, a total of 50,000 shares available for future issuance pursuant to equity awards under the Amended Inducement Plan. The increase in the available shares under the Amended Inducement Plan by 700,000 as described above resulted in a total of 750,000 shares remaining available for issuance pursuant to equity awards as of immediately after the amendment and restatement.

The Amended Inducement Plan was adopted without stockholder approval pursuant to the applicable Nasdaq listing rules. The Amended Inducement Plan provides for the grant of equity-based awards, including nonstatutory stock options, restricted stock, restricted stock units, and other awards payable in shares that the Board may determine to be necessary or appropriate, and its terms are substantially similar to the Company's Amended and Restated Stock Option and Equity Compensation Plan, including with respect to the treatment of equity awards in the event of a merger or "Change in Control" as defined under the Amended Inducement Plan, but with such other terms and conditions intended to comply with the Nasdaq inducement award exception.

In accordance with the Nasdaq listing rules, awards under the Amended Inducement Plan may only be made to individuals not previously employees or non-employee directors of the Company (or following such individuals' bona fide period of non-employment with the Company), as an inducement material to the individuals' entry into employment with the Company.

A copy of the Amended Inducement Plan, including the forms of award agreements thereunder, is attached as Exhibit 10.2 hereto and is incorporated herein by reference. The foregoing description of the Amended Inducement Plan does not purport to be complete and is qualified in its entirety by reference to such exhibit.

A copy of the press release announcing Ms. Patterson's appointment is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Employment Agreement between Zymeworks Biopharmaceuticals Inc. and Leone Patterson, dated July 19, 2024
10.2	Amended and Restated Inducement Stock Option and Equity Compensation Plan (and forms of award agreements thereunder)
99.1	Press Release, dated July 25, 2024
104	Cover Page Interactive Data File (embedded as Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ZYMEWORKS INC.
(Registrant)

Date: July 25, 2024

By: */s/ Kenneth Galbraith*
Name: Kenneth Galbraith
Title: Chair, Chief Executive Officer, President and interim Chief Financial Officer

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and effective as of the 1st day of September, 2024 (the "Effective Date").

BETWEEN:

Ms. Leone Patterson, having a residence at [**]

(the "Employee")

AND:

ZYMEWORKS BIOPHARMACEUTICALS INC., a corporation registered in the State of Washington and having its principal place of business at 777 108th Avenue NE, Suite 1700, Bellevue, Washington, 98004, USA

(the "Company")

WHEREAS

A. The Company is an affiliate of ZYMEWORKS INC., a Delaware corporation having its principal executive offices at 108 Patriot Drive, Suite A, Middletown, Delaware, 19709 ("Parent");

B. The Company is a clinical-stage biopharmaceutical company dedicated to the development of next-generation multifunctional biotherapeutics;

C. The Employee has experience and/or related skills and expertise and wishes to contribute such experiences to the development and growth of the Company's business; and

D. The Company has agreed to offer employment to the Employee, and the Employee has agreed to accept employment with the Company on the terms and conditions set out in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that for and in consideration of the promises and mutual covenants and agreements hereinafter contained, the parties hereto covenant and agree as follows:

ARTICLE 1 – GENERAL

1.1 Definitions. Unless otherwise defined, all capitalized terms used in this Agreement will have the meanings given below:

(a) "Business" means the business of researching, developing and commercializing therapeutic proteins, antibodies, and any other research, development and manufacturing work considered, planned or undertaken by the Company and/or Parent during the Employee's employment.

(b) Subject to Section 5.1(c) and Section 5.1(e), "Confidential Information" means trade secrets and other information, in whatever form or media, in the possession or control of the Company, which is owned by the Company or by one of its clients or suppliers or a third party with whom the Company has a business relationship, including, without limitation, Parent (collectively, the "Associates"), and which is not generally known to the public and has been specifically identified as confidential or proprietary by the Company, or its nature is such that it would generally be considered confidential in the industry in which the Company or its Associates operate, or which the Company is obligated to treat as confidential or proprietary. Subject to Section 5.1(c) and Section 5.1(e), Confidential Information includes, without limitation, the following:

(i) the products and confidential or proprietary facts, data, techniques, materials and other information related to the business of the Company, including all related development or experimental work or research, related documentation owned or marketed by the Company and related formulas, algorithms, patent applications, concepts, designs, flowcharts, ideas, programming techniques, specifications and software programs (including source code listings), methods, processes, inventions, sources, drawings, computer models, prototypes and patterns;

(ii) information regarding the Company's business operations, methods and practices, including corporate strategy, market research, market strategies, marketing plans, public relations strategies, product pricing and strategies, advertising sources, lists and information concerning current and prospective customers, billing information, suppliers, packaging, merchandizing, distribution, methods of production, manufacturing, pending projects or proposals, margins and hourly rates for staff and information regarding the financial, legal and corporate affairs of the Company, including business plans and projections and information regarding the Company's financial condition, operations, assets and liabilities, financial data, business structures, business ventures, existing or contemplated businesses, products, or services; and

(iii) technical and business information of, or regarding, the Company's Associates.

The above list is not exhaustive, and Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used. Confidential Information does not include general knowledge, skill, and experience Employee has acquired in connection with Employee's employment with the Company or a former employer. The Employee understands that nothing in this definition of Confidential Information prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful, and Employee understands that information regarding any of the foregoing does not constitute Confidential Information. Additionally, information regarding working conditions, wages, benefits, and/or other terms and conditions of employment does not constitute Confidential Information to the extent disclosure of such information is protected by applicable law.

(c) "Developments" means all inventions, ideas, concepts, designs, improvements, discoveries, modifications, computer software, and other results which are or have been conceived of, developed by, written, or reduced to practice by the Employee, alone or jointly with others (including, where applicable, all modifications, derivatives, progeny, models, specifications, source code, design documents, creations, scripts, artwork, text, graphics, photos and pictures) at any time.

(d) "Excluded Developments" means any Development that qualifies fully under the provisions of section 2870 of the California Labor Code, which provides:

"(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable."

The Employee understands that the Company is advising the Employee that any provision in this Agreement requiring the Employee to assign rights in any invention does not apply to an invention that qualifies fully under the provisions of section 2870 of the California Labor Code, as set forth above.

(e) "Prior Developments" means any Development that the Employee establishes was developed prior to the Employee performing such services for the Company and precedes the Employee's initial engagement with the Company.

1.2 Sections and Headings. The division of this Agreement into Articles and Sections and the insertion of headings are for the convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

ARTICLE 2 – EMPLOYMENT

2.1 Services.

On the Effective Date, the Employee will commence employment with the Company in the position of Executive Vice President, Chief Business Officer and Chief Financial Officer on the terms and conditions set out in this Agreement.

2.2 Qualifications.

(a) The Employee acknowledges that the falsification or misrepresentation of qualifications, including but not limited to education, skills, prior experience, depth and/or breadth of knowledge, references or similar matters, used to secure the position of Executive Vice President, Chief Business Officer and Chief Financial Officer, represents a breach of this contract.

(b) Employment Duties. Subject to the direction and control of the senior management of the Company and/or Parent ("Management"), the Employee will perform the duties that may be reasonably assigned to Employee by Management from time to time. The Employee's employment with the Company may involve duties to Parent. The salary, benefits, and other compensation provided to the Employee by the Company are intended to compensate the Employee for all work performed by the Employee for the Company, Parent, and their respective affiliates. Management may alter the duties Employee is expected to perform for the Company at any time with or without notice.

2.3 Throughout the term of this Agreement, the Employee will:

(a) diligently, honestly and faithfully serve the Company and will use all reasonable efforts to promote and advance the interests and goodwill of the Company and/or Parent;

(b) devote Employee's business efforts in a full-time capacity to the business and affairs of the Company;

(c) adhere to all applicable policies and procedures of the Company and/or Parent as in effect and as amended from time to time, including but not limited to the Company's and Parent's Codes of Business Conduct and Ethics;

(d) exercise the degree, diligence and skill that a reasonably prudent Executive Vice President, Chief Business Officer and Chief Financial Officer would exercise in comparable circumstances;

(e) during the term of employment, refrain from engaging in any activity which will in any manner, directly or indirectly, compete with the trade or business of the Company and/or Parent except in accordance with Sections 2.4 and 2.6 herein and as outlined under the Conflict of Interest guidelines in Company's or the Parent's corporate policies and procedures as in effect and as amended from time to time; and

(f) during the term of employment, not acquire, directly or indirectly, any interest that constitutes 5% or more of the voting rights attached to the outstanding shares of any corporation or 5% or more of the equity or assets in any firm, partnership or association, the business and operations of which in any manner, directly or indirectly, compete with the trade or business of the Company.

2.4 During the term of employment, the Employee will disclose to Management all potential conflicts of interest and activities which could reasonably be seen to compete, indirectly or directly, with the trade or business of the Company and/or Parent. Management will determine, in its sole discretion, whether the activity in question constitutes a conflict of interest or competition with the Company and/or Parent. To the extent that Management, acting reasonably, determines a conflict of interest or competition exists, the Employee will discontinue such activity forthwith or within such longer period as Management agrees. The Employee will immediately certify in writing to the Company that Employee has discontinued such activity and that Employee has, as required by Management, cancelled any contracts or sold or otherwise disposed of any interest or assets over the 5% threshold described in Section 2.3(f) herein acquired by the Employee by virtue of engaging in the impugned activity, or where no market exists to enable such sale or disposition, by transfer of the Employee's beneficial interest into blind trust or other fiduciary arrangements over which the Employee has no control or direction, or other action that is acceptable to the Board.

2.5 The Employee will not be employed by another company or provide consulting or other services to other companies or commercial entities while employed by the Company, to the extent such outside employment or services conflict with Employee's obligations to the Company. By seeking and accepting employment with the Company, the Employee recognizes that the Employee is employed by the Company for the expressed benefit of advancing the scientific, development and business objectives of the Company and that concurrent employment that is directly related to the Company's objectives may detract from those objectives.

2.6 Notwithstanding Sections 2.3, 2.4 and 6.1, the Employee is not restricted from nor is required to obtain the consent of the Company to make investments constituting an ownership interest of 5% or less in any company which is involved in pharmaceuticals or biotechnology with securities listed for trading on any Canadian or U.S. stock exchange, quotation system or the over-the-counter market.

2.7 For the purposes of Sections 2.3, 2.4 and 2.6 herein, "Employee" includes any entity or company owned or controlled by the Employee.

2.8 For purposes of federal immigration law, Employee will be required to provide to the Company documentary evidence of Employee's identity and eligibility for employment in the United States. Such valid documentation must be provided within three (3) business days of the start of Employee's employment, or Employee's employment relationship with the Company may be terminated, which such termination would constitute a termination for "Cause".

2.9 Usual Place of Business. The Employee will be working out of the Company's offices located in Redwood City, California unless another location has been designated in writing with Human Resources (the "Usual Place of Business") in accordance with the applicable policy in effect at the time of employment. The Employee understands and agrees that the Employee is expected to reside within reasonable commuting distance from the Usual Place of Business and will not relocate to location outside such reasonable commuting distance without obtaining approval from Human Resources. The Employee is not eligible to claim commuting expenses to the Usual Place of Business unless previously authorized by Human Resources.

ARTICLE 3 – COMPENSATION

3.1 Base Salary. As compensation for all services rendered under this Agreement, the Company will pay to the Employee and the Employee will accept from the Company a base salary at the rate of $485,000 (USD) per annum. The base salary will be paid semi-monthly, in equal installments, less statutory and other authorized deductions.

3.2 Signing Bonus. The Employee shall receive a Signing Bonus of $50,000 (USD) (less applicable withholdings) to be paid on the first scheduled pay day following the Effective Date of this Agreement. The Signing Bonus shall be repayable in full to the Company within 30 days of the Employee's employment termination date if the Employee's employment with the Company is terminated by the Company for Cause or by the Employee for any reason, in either case, within one (1) year of the Effective Date.

3.3 Stock Options. Subject to approval by the Board of Directors, and as a material inducement to accepting an offer of employment, the Employee shall be granted 360,000 options to acquire shares of common stock of Parent (the "Shares"), provided the Employee is employed by the Company on the grant date (the "Options"). The Shares subject to the Option will vest over a four-year period as follows: (i) 25% of the options will vest on the one-year anniversary of the grant date; and (ii) 1/36 of the remaining options will vest on the last day of each month following the one-year anniversary of the grant date. The exercise price of the Options will be set in accordance with the terms of Zymeworks Inc.'s Amended and Restated Stock Option and Equity Compensation Plan as it may hereafter be amended or the applicable inducement equity award agreement approved by the Board, as applicable (in either case, the "Equity Compensation Plan"), and the Options will vest and become exercisable in accordance with the terms of such Equity Compensation Plan, subject to the Employee's continued employment with the Company through the applicable vesting date.

3.4 Incentive Plans. The Employee shall be entitled to participate in certain incentive programs for the Company's employees, including, without limiting the generality of the foregoing, share option plans, share purchase plans, profit-sharing or bonus plans (including target annual bonus, if applicable) (collectively, the "Incentive Plans"). Such participation shall be on the terms and conditions of such Incentive Plans as at the date hereof or as may from time to time be amended or implemented by the Company in its sole discretion.

3.5 Target Annual Bonus. In accordance with the Parent's Executive Incentive Compensation Plan, and subject to Management and/or Board discretion based on factors determined by Management and/or the Board including Company performance, the Employee will be eligible to earn an annual cash bonus, with an initial target amount of 45% of base salary. With respect to 2024, the Employee will be eligible to receive a prorated bonus with respect to the six-month period from July 1, 2024 through December 31, 2024. The achieved portion (if any) of the annual cash bonus will be payable, less applicable withholdings, on the date the Company pays such bonuses to other similarly-situated employees, subject to the Employee's continued employment with the Company through the applicable payment date.

3.6 Performance and Salary Review. Management will review the Employee's performance, base salary, and equity participation level under the terms of any Incentive Plans annually beginning in January 2025, or as otherwise approved by the Compensation Committee. The timing of performance and salary reviews may from time to time be amended by the Company in its sole discretion.

3.7 Expenses. The Company will reimburse the Employee for all ordinary and necessary expenses incurred by the Employee in the performance of the Employee's duties under this Agreement. Reimbursement of such expenses will be made in accordance with the Company's policies.

3.8 Professional Fees. The Company will reimburse the Employee for annual registration and/or licensing fees required to maintain the Employee's status as a member in good standing with the appropriate professional bodies required to continue effective employment, and which were held by the Employee as of the Effective Date. The Company will reimburse reasonable costs incurred by the Employee to complete the minimum annual continuing professional development requirements required to maintain such status.

3.9 Vacation. The Employee will be eligible for vacation in accordance with the Company's paid time off policies as may be in effect from time to time.

3.10 Benefits. The Employee will be eligible to participate in all benefit plans generally available to Employees of the Company, subject to meeting applicable eligibility requirements of such plans.

3.11 Sick Leave. The Employee will accrue paid sick leave at the rate of one hour for every 30 hours worked, or at a higher rate provided for in Company human resources policies, based upon a 40-hour workweek, up to a maximum accrual cap of 120 hours. The Employee may use Sick Leave following the completion of the Employee's first 40 hours of service. Unused sick days will not be paid out at termination of employment but may be carried forward into the subsequent year during employment. Sick Leave may be used for any purpose authorized by the California state Paid Sick Leave law. This benefit is intended to comply with the applicable state and local laws and should be interpreted in accordance with their requirements. Where applicable, the Employee will also be eligible for additional paid and unpaid leave in accordance with applicable federal, state, and local laws.

ARTICLE 4– TERM AND TERMINATION

4.1 Term. This Agreement will commence on the Effective Date and will terminate on the effective date of termination by either the Employee or the Company in accordance with Section 4.2 of this Agreement.

4.2 Employment At Will. Employment with the Company is "at-will." This means that either the Company or the Employee may terminate the employment relationship at any time, with or without cause, with or without notice.

4.3 Severance upon Termination of Employment. Although Employee is employed on an at-will basis, the Employee's eligibility for severance payments upon termination of employment is set forth in this Section 4.3.

(a) *Resignation*. In the event that Employee voluntarily resigns employment, the Company will pay the Employee all wages earned through the time of termination. With the exception of reimbursement for business expenses in accordance with the Company's policies, the Employee is not entitled to any additional compensation upon resignation of employment. The Company requests – but does not require – that the Employee provide prior written notice to Management of not less than thirty (30) days prior to resignation of employment, or such shorter period as the Employee and Management may agree. If the Employee provides 30 days' notice as requested, the Company may choose to waive all or part of the notice period and pay to the Employee the base salary to be earned during the balance of the notice period instead.

(b) *Termination for Cause*. In the event that Employee's employment is terminated for Cause, the Company will pay the Employee all wages earned through the time of termination. With the exception of reimbursement for business expenses in accordance with the Company's policies, the Employee will not be entitled to any additional compensation of any kind. For purposes of this Agreement, "Cause" shall mean: (i) a material breach by the Employee of any of Employee's material obligations hereunder; (ii) any act of misappropriation, embezzlement, intentional fraud or similar conduct involving the Company, Parent or any of their respective affiliates; (iii) the conviction or the plea of *nolo contendere* or the equivalent in respect of a criminal offense that would have a direct and specific negative bearing on Employee's ability to perform the responsibilities of the position; (iv) the Company's or Parent's conclusion, following a reasonable and good-faith investigation, that Employee has violated the Company's and/or Parent's policies applicable to the Employee with respect to Equal Employment Opportunity or prohibition of harassment, discrimination, or retaliation; or (v) intentional infliction of any damage of a material nature to any property of the Company, Parent or any of their respective affiliates or employees.

(c) *Termination Without Cause*. If the Company terminates the employment of the Employee without Cause, the Company agrees to provide the Employee with:

(i) written notice or payment in lieu of notice to the Employee as follows:

A. twelve (12) months of notice or the equivalent of twelve (12) months of base salary as of the date notice is given, or any combination thereof that totals twelve (12) months of combined notice and base salary, if termination of employment occurs during the first three years of employment measured from the Effective Date (with any base salary equivalent payable over twelve (12) months); and

B. commencing in the fourth year of employment measured from the Effective Date, an additional one (1) month of notice or the equivalent of one (1) month of base salary as of the date notice is given, or any combination thereof, for each additional completed year of service, up to a total maximum of eighteen (18) months (payable over eighteen (18) months); and

(ii) continuation of group extended health and dental benefits through the applicable notice period stated in Section 4.3(c) herein, which may be provided by the Company paying for or reimbursing the Employee's COBRA premium costs for continuation coverage (where all other benefits terminate on the last day worked by the Employee) and further subject to Section 4.7 of this Agreement.

(d) *Termination following Change of Control*. Notwithstanding any other provision in this Agreement, if within twelve (12) months following a Change of Control of the Company (as defined below), the Employee's employment is terminated by the Company without Cause, the Employee shall receive (x) as severance, eighteen (18) months of base salary as of the date of termination (with the severance payable over eighteen (18) months, or to the extent available under Section 409A of the Internal Revenue Code, paid sooner, at the sole discretion of the Company), (y) continuation of group extended health and dental benefits provided by the Company paying for the Employee's premium costs for COBRA continuation coverage for up to eighteen (18) months following the Employee's termination date, provided that the Employee timely elects and remains eligible for COBRA continuation coverage, and further subject to Section 4.5 of this Agreement, and (z) full vesting acceleration of all unvested and outstanding stock options or other Company or Parent unvested and outstanding equity grants made to the Employee as of the date of termination. For all purposes of this Agreement, "Change of Control" means:

(i) the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, of common shares of Parent which, when added to all other common shares of Parent at the time held directly or indirectly by such person or persons acting jointly or in concert constitutes for the first time in the aggregate 40% of more of the outstanding common shares of Parent and such shareholding exceeds the collective shareholding of the current directors of Parent, excluding any directors acting in concert with the acquiring party; or

(ii) the removal, by extraordinary resolution of the shareholders of Parent, of more than 51% of the then incumbent Board of Parent, or the election of a majority of Board members to Parent's board who were not nominees of Parent's incumbent board at the time immediately preceding such election; or

(iii) consummation of a sale of all or substantially all of the assets of Parent; or

(iv) the consummation of a reorganization, plan of arrangement, merger, or other transaction which has substantially the same effect as to above.

Payment under Section 4.3(d) herein will be in lieu of and not in addition to payment under Section 4.3(c).

(e) *Severance Pay Timing*. Payments of any severance under Section 4.3(c) or Section 4.3(d) will be paid, or, in the case of installments will commence, on the first Company payroll date following the effective date of the Release (as defined below), provided that if the 60-day period for executing the Release as set forth in Section 4.7 spans two calendar years, any severance payments or benefits that qualify as "nonqualified deferred compensation" (as described in Section 9.9 of this Agreement), will not be paid or otherwise commence until no earlier than January 1 of the second calendar year, and subject to any delay under Section 9.9 of this Agreement. For purposes of compliance with Section 409A of the Internal Revenue Code (described more thoroughly in Section 9.9 of this Agreement), each severance benefit payment under Section 4.3(c) or Section 4.3(d) will be treated as a separate payment, and the right to a series of installment payments under this Agreement will be treated as a right to a series of separate payments.

4.4 Equity Awards on Termination. Except as provided by Section 4.3(d), the vesting and exercise of any equity award granted to the Employee in the event the Employee's employment with the Company or this Agreement terminates, for any reason, shall be governed by the terms of the Equity Compensation Plan and any applicable award agreement in effect between the Company and the Employee at the time of termination.

4.5 Benefits Continuation and No Mitigation. The Employee shall not be required to mitigate the amount of any payments provided for in this Article 4 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Article 4 be reduced by any compensation earned by the Employee as the result of employment by another employer after the date of termination, or otherwise. Notwithstanding the forgoing, the Employee is required to report to the Company if Employee obtains replacement benefits coverage through new employment during any period of group extended health and dental benefits continuation contemplated by this Article 4, and such benefits coverage by the Company will cease effective the date the Employee receives such new coverage and the Employee will not be entitled to any payment in respect of such benefits coverage from the Company in respect of any notice period or severance payment contemplated in this Article 4.

4.6 No Additional Payments. Payment of severance, in accordance with Section 4.3(c) or Section 4.3(d) above, to the Employee by the Company will be full and adequate compensation to the Employee with respect to any claim relating to the Employee's employment or termination or manner of termination of the Employee's employment, and the Employee waives any right that Employee may have to claim further payment, compensation or damages from the Company.

4.7 Condition to Payment. Payment of any amount of severance under this Agreement is conditional upon execution by the Employee of a separation agreement and general release of all claims on a form provided by the Company (the "Release") within 60 days of the date of Employee's termination from employment with the Company.

4.8 Survival. Upon a termination of this Agreement for any reason, the Employee will continue to be bound by the provisions of Article 4, Article 5, Article 6, Article 7, Article 8, and Section 9.10.

ARTICLE 5 – CONFIDENTIALITY

5.1 Confidential Information.

(a) *Ownership of Confidential Information*—The Employee acknowledges that the Confidential Information is and will be the sole and exclusive property of the Company and/or Parent. The Company has a legitimate business interest in protecting its Confidential Information, including its trade secrets, as well as its substantial and ongoing customer, industry, and employee relationships. The Employee acknowledges that the Employee has not, and will not, acquire any right, title or interest in or to any of the Confidential Information.

(b) *Non-Disclosure, Use and Reproduction of Confidential Information*—The Company and its related entities, parents, subsidiaries, predecessors, successors, and affiliates, may provide and make available to the Employee certain Confidential Information regarding its business. This Confidential Information is of substantial value and highly confidential, is not known to the general public, is the subject of the Company's reasonable efforts to maintain its secrecy, includes professional and trade secrets, and is being provided and disclosed to the Employee solely for use in connection with and during the Employee's employment with the Company. The Employee will keep all the Confidential Information strictly confidential, and will not, either directly or indirectly, either during or subsequent to employment with the Company, disclose, allow access to, transmit, transfer, use or reproduce any of the Confidential Information in any manner except as required to perform the duties of the Employee for the Company and in accordance with all procedures established by the Company for the protection of the Confidential Information. Without limiting the foregoing, the Employee:

(i) will ensure that all the Confidential Information and all copies thereof, are clearly marked, or otherwise identified as confidential to the Company and proprietary to the person or entity that first provided the Confidential Information, and are stored in a secure place while in the Employee's possession, custody, charge or control;

(ii) will not, either directly or indirectly, disclose, allow access to, transmit or transfer any of the Confidential Information to any person other than to an employee, officer, or director of the Company but only upon a "need to know" basis for the benefit of the Company, without the prior written authorization of Management; and

(iii) will not, except as required by the Employee's position, use any of the Confidential Information to create, maintain or market any product or service which is competitive with any product or service produced, marketed, licensed, sold or otherwise dealt in by the Company, or assist any other person to do so.

(c) *Legally Required Disclosure*—Nothing in this Agreement prohibits the Employee from filing and/or pursuing a charge or complaint with, reporting possible violations of law or regulation to, or otherwise communicating or cooperating with or participating in any investigation or proceeding of any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the state division of human rights, a local commission on human rights, the National Labor Relations Board, the Occupational Safety and Health Administration, the Congress, and any agency Inspector General, or making other disclosures or engaging in other activities that are protected under the whistleblower provisions of local, state, or federal law or regulation, including disclosing documents or other information as permitted by law. Nothing in this Agreement prohibits the Employee from speaking with law enforcement or an attorney retained by the Employee. The Employee does not need the prior authorization of the Company to make any such reports or disclosures, and the Employee is not required to notify the Company that he/she has made such reports or disclosures. However, in making any such disclosures or communications, the Employee must take all reasonable precautions to prevent any unauthorized use or disclosure of any Confidential Information to or by any parties other than the applicable government agencies and/or an attorney retained by the Employee. The Employee further understands that the Employee is not permitted to disclose the Company's attorney-client privileged communication or privileged attorney work product. Nothing in this Agreement, including its definition of Confidential Information, (i) limits employees' rights to discuss or disclose wages, benefits, or terms and conditions of employment as protected by applicable law, including any rights under Section 7 of the National Labor Relations Act, or (ii) otherwise impairs employees from assisting other Company employees and/or former employees in the exercise of their rights under Section 7 of the National Labor Relations Act. Further, nothing in this Agreement is intended to infringe on Employee's rights under the Defend Trade Secrets Act ("DTSA") and applicable state law. The Employee is hereby notified that the DTSA protects individuals from criminal or civil liability where the disclosure of a trade secret is made:

(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and the confidential disclosure is made solely for the purpose of reporting or investigating a suspected violation of law; and

(ii) the trade secret disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, and the disclosure is made under seal.

Nothing in this Agreement restricts or impedes the Employee from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or court order. Unless prohibited by law, the Employee shall promptly provide written notice of any such court order to the Head of Global Human Resources and the Head of Legal of the Company and/or Parent, as applicable.

(d) *Return of Materials, Equipment and Confidential Information*—Upon request by the Company, and in any event when the Employee leaves the employ of the Company, the Employee will immediately return to the Company all the Confidential Information and all other materials, computer programs, documents, memoranda, notes, papers, reports, lists, manuals, specifications, designs, devices, drawings, notebooks, correspondence, equipment, keys, pass cards, and property, and all copies thereof, in any medium, in the Employee's possession, charge, control or custody, which are owned by, or relate in any way to the Business or affairs of the Company, Parent, and/or any of their respective affiliates.

(e) *Exceptions* - The non-disclosure obligations of Employee under this Agreement shall not apply to Confidential Information which the Employee can establish:

(i) is, or becomes, readily available to the public other than through a breach of this Agreement;

(ii) is disclosed, lawfully and not in breach of any contractual or other legal obligation, to Employee by a third party; or

(iii) through written records, was known to Employee, prior to the date of first disclosure of the Confidential Information to Employee by the Company.

5.2 Ownership of Developments

(a) *Acknowledgment of Company Ownership*—The Employee acknowledges that the Company will be the exclusive owner of all the Developments made during the term of the Employee's employment by the Company except Excluded Developments and to all intellectual property rights in and to such Developments. The Employee hereby assigns all right, title and interest in and to such Developments and their associated intellectual property rights throughout the world and universe to the Company, including without limitation, all trade secrets, patent rights and the right to claim priority to patent applications arising from such Developments, copyrights, mask works, industrial designs and any other intellectual property rights in and to each such Development, effective at the time each is created. Further, the Employee irrevocably waives all moral rights the Employee may have in such Developments.

(b) *Excluded Developments and Prior Developments*—The Company acknowledges that it will not own any Excluded Developments or Prior Developments.

(c) *Disclosure of Developments*—To avoid any disputes over the ownership of Developments, the Employee will provide the Company with a general written description of any of the Developments the Employee believes the Company does not own because they are Excluded Developments or Prior Developments. Thereafter, the Employee agrees to make full and prompt disclosure to the Company of all Developments, including, without limitation, Excluded Developments, made during the term of the Employee's employment with the Company. The Company will hold any information it receives regarding Excluded Developments and Prior Developments in confidence.

(d) *Further Acts*—The Employee agrees to cooperate fully with the Company both during and after the Employee's employment by the Company, with respect to (i) signing further documents and doing such acts and other things reasonably requested by the Company to confirm the Company's ownership of the Developments other than Excluded Developments and Prior Developments, the transfer of ownership of such Developments to the Company, and the waiver of the Employee's moral rights therein, and (ii) obtaining or enforcing patent, copyright, trade secret or other protection for such Developments; provided that the Company pays all the Employee's expenses in doing so, and reasonable compensation if such acts are required after the Employee leaves the employment by the Company.

(e) *Employee-owned Inventions*—The Employee hereby covenants and agrees with the Company that, unless the Company agrees in writing otherwise, the Employee will not use or incorporate any Excluded Development or Prior Development in any work product, services, or other deliverables the Employee provides to the Company. If the Employee uses or incorporates any Excluded Development or Prior Development with the Company's permission, as provided above, the Employee (i) represents and warrants that he or she owns all proprietary interest in such Excluded Development or Prior Development and (ii) grants to the Company, at no charge, a non-exclusive, irrevocable, perpetual, worldwide license to use, distribute, transmit, broadcast, sub-license, produce, reproduce, perform, publish, practice, make, and modify such Excluded Development or Prior Development.

(f) *Prior Employer Information*—The Employee hereby covenants and agrees with the Company that during the Employee's employment by the Company, the Employee will not improperly use or disclose any confidential or proprietary information of any former employer, partner, principal, co-venturer, customer, or independent contractor of the Employee and that the Employee will not bring onto the Company's premises any unpublished documents or any property belonging to any such persons or entities unless such persons or entities have given their consent. In addition, the Employee will not violate any non-disclosure, non-compete, non-solicit or proprietary rights agreement the Employee has signed with any person or entity prior to the Employee's execution of this Agreement, or knowingly infringe the intellectual property rights of any third party while employed by the Company. The Employee agrees to fully indemnify the Company and its respective directors, officers, agents, employees, investors, shareholders, administrators, divisions, affiliates, parent corporations, subsidiaries, predecessor and successor corporations and assigns, for all verdicts, judgments, settlements, and other losses incurred by any of them resulting from Employee's breach of Employee's obligations under any agreement with a third party, as well as any reasonable attorneys' fees and costs if the plaintiff is the prevailing party in such an action.

(g) *Protection of Computer Systems and Software*—The Employee agrees to take all necessary precautions to protect the computer systems and software of the Company, including, without limitation, complying with the obligations set out in the Company's policies.

5.3 Defend Trade Secrets Act. Pursuant to the *Defend Trade Secrets Act* of 2016, the Employee understands that:

(a) an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that:

(i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or

(ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

(b) Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual:

(i) files any document containing the trade secret under seal; and

(ii) does not disclose the trade secret, except pursuant to court order.

ARTICLE 6 – MISCELLANEOUS

6.1 Conflict of Interest. The Employee recognizes that the Employee is employed by the Company in a position of responsibility and trust and agrees that during the Employee's employment with the Company, the Employee will not engage in any activity or otherwise put the Employee in a position which conflicts with the Company's and/or Parent's interests. Without limiting this general statement, the Employee agrees that during the Employee's employment with the Company, the Employee will not knowingly lend money to, guarantee the debts or obligations of or permit the name of the Employee or any part thereof to be used or employed by any corporation or firm which directly or indirectly is engaged in or concerned with or interested in any business in competition with the Business of the Company and/or Parent unless the Employee receives prior written authorization from the Company.

6.2 Acknowledgments. The Employee acknowledges that as of the date of this Agreement:

(a) a breach of this Agreement would cause the Company irreparable harm and as a result the Employee consents to the issuance of an injunction or other appropriate remedy required to enforce the covenants contained herein;

(b) in the event it is necessary for the either party to retain legal counsel to enforce any of the terms and conditions of this Agreement, the prevailing party will pay the other parties' reasonable legal fees, court costs and other related expenses.

ARTICLE 7 – ENFORCEMENT

7.1 Consent to Personal Jurisdiction. This Agreement will be governed by the laws of the State of California without regard to California's conflicts of law rules that may result in the application of the laws of any jurisdiction other than California. In the event of a breach or threatened breach of this Agreement, nothing in this Agreement precludes the Company, Parent, or the Employee from applying to a court of competent jurisdiction to seek injunctive relief or otherwise protect or enforce its rights hereunder before an arbitrator can be appointed pursuant to Article 8 below, to the extent that would be permitted under California Civil Procedure Code Section 1281.8.

7.2 Severability and Limitation. All agreements and covenants contained herein are severable and, in the event any of them will be held to be invalid by any competent court, this Agreement will be interpreted as if such invalid agreements or covenants were not contained herein. Should any court or other legally constituted authority determine that for any such agreement or covenant to be effective that it must be modified to limit its duration or scope, the parties hereto will consider such agreement or covenant to be amended or modified with respect to duration and scope so as to comply with the orders of any such court or other legally constituted authority or to be enforceable under the laws of the State of California, and as to all other portions of such agreement or covenants they will remain in full force and effect as originally written.

ARTICLE 8– MEDIATION AND ARBITRATION

8.1 AGREEMENT TO ARBITRATE CLAIMS. EXCEPT AS SET FORTH IN SECTION 8.4 BELOW, BOTH THE EMPLOYEE AND THE COMPANY AGREE THAT ANY CLAIM THAT THE EMPLOYEE MAY HAVE AGAINST THE COMPANY, PARENT, OR THEIR RESPECTIVE OWNERS, DIRECTORS, OFFICERS, MANAGERS, EMPLOYEES, AGENTS, AND OTHER PARTIES AFFILIATED WITH THE COMPANY AND/OR PARENT AND THEIR RESPECTIVE EMPLOYEE BENEFIT AND HEALTH PLANS (TOGETHER, "AFFILIATED PERSONS"), OR THAT THE COMPANY OR PARENT MAY HAVE AGAINST THE EMPLOYEE, SHALL BE SUBMITTED TO AND DETERMINED EXCLUSIVELY IN THE COUNTY IN WHICH THE EMPLOYEE MOST RECENTLY PRIMARILY WORKED FOR THE COMPANY, BY A SINGLE NEUTRAL ARBITRATOR, THROUGH TO FINAL AND BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT ("FAA"), AND NOT TO ANY COURT (SUBJECT TO SECTION 7.1 ABOVE), IN ACCORDANCE WITH THE JAMS EMPLOYMENT ARBITRATION RULES & PROCEDURES (THE "JAMS RULES") THEN IN EFFECT EXCEPT AS MODIFIED BY THIS AGREEMENT. THE JAMS ARBITRATOR SHALL BE CHOSEN BY MUTUAL AGREEMENT OF THE PARTIES OR IF THE PARTIES CANNOT AGREE, IN ACCORDANCE WITH THE JAMS ARBITRATION SELECTION PROCEDURE. A COPY OF THE CURRENT JAMS RULES CAN BE OBTAINED AT THE FOLLOWING WEBSITE: HTTPS://WWW.JAMSADR.COM/RULES-EMPLOYMENT-ARBITRATION/ENGLISH OR BY REQUESTING IN WRITING A COPY FROM THE COMPANY'S HUMAN RESOURCES TEAM. IN THE EVENT THAT A COURT OR ARBITRATOR OF COMPETENT JURISDICTION HOLDS THAT THE FAA DOES NOT APPLY AND THE EMPLOYEE HAS NOT VOLUNTARILY ELECTED TO PARTICIPATE IN ARBITRATION IN SUCH CASE, THE COURT OR ARBITRATOR SHALL APPLY THE CALIFORNIA ARBITRATION ACT AND SUCH OTHER CALIFORNIA LAWS THAT MAY APPLY TO DETERMINE THE ENFORCEABILITY OF THIS AGREEMENT.

8.2 CLAIMS COVERED BY THIS AGREEMENT. THE CLAIMS THAT ARE TO BE ARBITRATED UNDER THIS AGREEMENT ARE ANY AND ALL CLAIMS THAT ARISE BETWEEN THE EMPLOYEE AND THE COMPANY, PARENT OR ANY AFFILIATED PERSON EXCEPT AS EXCLUDED BY THIS AGREEMENT IN SECTION 8.4 BELOW (THE "CLAIMS"). **THE CLAIMS INCLUDE BUT ARE NOT LIMITED TO ANY DISPUTE RELATING TO THE EMPLOYEE'S EMPLOYMENT OR THE TERMINATION OF EMPLOYMENT WITH THE COMPANY (PRE-HIRE THROUGH POST-TERMINATION), INCLUDING BUT NOT LIMITED TO CLAIMS ARISING OUT OF OR RELATED TO TORT, BAD FAITH, CONTRACT, WAGES AND BENEFITS, LIABILITIES, DEBTS, OBLIGATIONS, DAMAGES, COMPENSATORY DAMAGES, PUNITIVE DAMAGES, PENALTIES, LIQUIDATED DAMAGES, COSTS,**

ATTORNEYS' FEES, EXPENSES, ACTIONS AND CAUSES OF ACTION IN ANY WAY RELATED TO THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR THE TERMINATION OF THE EMPLOYEE'S EMPLOYMENT. THE CLAIMS ALSO INCLUDE BUT ARE NOT LIMITED TO ANY CLAIMS FOR WRONGFUL DISCHARGE OR BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING, ANY AND ALL CLAIMS UNDER FEDERAL, STATE, AND LOCAL LAWS, ORDINANCES, REGULATIONS OR ORDERS, CHARGES OF DISCRIMINATION, RETALIATION, OR HARASSMENT ON ACCOUNT OF RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, AGE, CITIZENSHIP, NATIONAL ORIGIN, MENTAL OR PHYSICAL DISABILITY, MEDICAL CONDITION, MARITAL STATUS, PREGNANCY, GENDER IDENTITY OR PERCEPTION, OR ANY OTHER PROTECTED CLASSIFICATION, CLAIMS UNDER THE CALIFORNIA LABOR CODE, AND ALL OTHER EMPLOYMENT-RELATED CLAIMS. THE CLAIMS FURTHER INCLUDE ANY DISPUTE ARISING OUT OF OR RELATING TO THE INTERPRETATION OR APPLICATION OF THIS AGREEMENT INCLUDING THE ENFORCEABILITY, REVOCABILITY, OR VALIDITY OF THIS AGREEMENT, AND THE PARTIES DELEGATE AUTHORITY TO DECIDE THOSE ISSUES SOLELY TO THE ARBITRATOR. BOTH THE EMPLOYEE AND THE COMPANY ARE GIVING UP ANY RIGHT THAT EITHER MIGHT HAVE TO HAVE A JUDGE OR JURY DECIDE THE CLAIMS.

8.3 CLASS ACTION, COLLECTIVE ACTION, AND REPRESENTATIVE ACTION WAIVER. BOTH THE EMPLOYEE AND THE COMPANY AGREE THAT ANY PROCEEDINGS PURSUANT TO THIS AGREEMENT WILL BE CONDUCTED ON AN INDIVIDUAL BASIS ONLY AND THAT CLAIMS BY THE EMPLOYEE OR BY THE COMPANY MAY ONLY BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY MAY NOT BE BROUGHT ON A CLASS ACTION, COLLECTIVE ACTION, OR REPRESENTATIVE BASIS (OTHER THAN AN ACTION BROUGHT UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE SECTIONS 2698, *ET SEQ.* ("PAGA")), AND MAY NOT BE CONSOLIDATED WITH OTHER PERSONS OR ENTITIES. FURTHER, THE EMPLOYEE AND THE COMPANY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO PARTICIPATE IN ANY AND ALL CLASS ACTIONS, COLLECTIVE ACTIONS, AND/OR OTHER NON-PAGA REPRESENTATIVE ACTIONS, INCLUDING PARTICIPATING AS A NAMED PLAINTIFF OR AS A MEMBER OF A CLASS ACTION, COLLECTIVE ACTION, AND/OR OTHER NON-PAGA REPRESENTATIVE ACTION. ACCORDINGLY, THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS SUBJECT TO THIS AGREEMENT TO BE BROUGHT, HEARD OR ARBITRATED AS A CLASS ACTION, COLLECTIVE ACTION, OR NON-PAGA REPRESENTATIVE ACTION ("CLASS ACTION WAIVER"). THE CLASS ACTION WAIVER SHALL BE SEVERABLE AT THE OPTION OF THE EMPLOYEE OR THE COMPANY FROM THIS AGREEMENT IN ANY CASE IN WHICH BOTH OF THE FOLLOWING ARE TRUE: (A) THE CLAIM IS FILED OR PURSUED AS A CLASS ACTION, COLLECTIVE ACTION, OR NON-PAGA REPRESENTATIVE ACTION; AND (B) THE CLASS ACTION WAIVER IS FOUND TO BE UNENFORCEABLE. IN SUCH

INSTANCES, THE CLASS ACTION, COLLECTIVE ACTION, OR NON-PAGA REPRESENTATIVE ACTION MUST BE LITIGATED IN A CIVIL COURT OF COMPETENT JURISDICTION. THE CLASS ACTION WAIVER SHALL BE SEVERABLE IN ANY CASE IN WHICH THE DISPUTE IS FILED OR PURSUED AS AN INDIVIDUAL ACTION AND SEVERANCE IS NECESSARY TO ENSURE THAT THE INDIVIDUAL ACTION PROCEEDS IN ARBITRATION. THE EMPLOYEE AGREES THAT ANY CLAIMS EMPLOYEE MAY BRING PURSUANT TO PAGA ON BEHALF OF THE LABOR AND WORKFORCE DEVELOPMENT AGENCY MUST BE ARBITRATED ONLY IN EMPLOYEE'S INDIVIDUAL CAPACITY WITHOUT ANY JOINDER OR REPRESENTATION OF ANY CALIFORNIA LABOR CODE VIOLATIONS THAT WERE OR COULD BE ASSERTED BY OR ON BEHALF OF ANY OTHER PERSONS.

8.4 CLAIMS NOT COVERED BY THE AGREEMENT. TO THE EXTENT REQUIRED BY LAW, ANY AND ALL CLAIMS FOR WORKERS' COMPENSATION INSURANCE, UNEMPLOYMENT INSURANCE, ANY AND ALL MATTERS WITHIN THE JURISDICTION OF THE STATE LABOR COMMISSIONER, AND PAGA REPRESENTATIVE CLAIMS ARE NOT COVERED BY THIS AGREEMENT. NOTHING IN THIS AGREEMENT PROHIBITS THE EMPLOYEE FROM FILING A CLAIM OR CHARGE WITH THE NATIONAL LABOR RELATIONS BOARD OR FROM FILING AN ADMINISTRATIVE CHARGE OR COMPLAINT OF DISCRIMINATION OR HARASSMENT WITH EITHER THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION OR ANY STATE OR LOCAL EQUAL EMPLOYMENT OPPORTUNITY AGENCY. ADDITIONALLY, THE EMPLOYEE UNDERSTANDS THAT NOTHING IN THIS AGREEMENT REQUIRES THE EMPLOYEE TO ARBITRATE CLAIMS THAT CANNOT BE ARBITRATED UNDER THE SARBANES-OXLEY ACT OR OTHER LAW THAT EXPRESSLY PROHIBITS ARBITRATION OF A CLAIM NOTWITHSTANDING APPLICATION OF THE FAA. EITHER PARTY MAY SEEK FROM A COURT ANY INJUNCTIVE RELIEF (PRELIMINARY OR PERMANENT) AVAILABLE UNDER APPLICABLE LAWS FOR ANY PURPOSE. THE EMPLOYEE UNDERSTANDS THAT EXCEPT AS PROVIDED IN THIS SECTION AND SECTION 8.11 BELOW, ARBITRATION SHALL BE THE ONLY METHOD FOR RESOLVING ALL DISPUTES BETWEEN THE EMPLOYEE AND THE COMPANY.

8.5 PRE-ARBITRATION MEDIATION. THE EMPLOYEE AND THE COMPANY AGREE THAT PRIOR TO SUBMITTING A CLAIM FOR ARBITRATION, THE PARTIES WILL FIRST SEEK TO RESOLVE THE DISPUTE THROUGH VOLUNTARY MEDIATION. EITHER PARTY MAY GIVE WRITTEN NOTICE TO THE OTHER PARTY REQUESTING MEDIATION OF THE DISPUTE (THE "MEDIATION NOTICE"). A SINGLE MEDIATOR, WITH EXPERIENCE MEDIATING EMPLOYMENT DISPUTES, WILL BE JOINTLY SELECTED BY THE PARTIES. THE COMPANY AGREES TO PAY THE MEDIATOR'S FEE FOR A PRIVATE MEDIATION, UP TO ONE DAY IN LENGTH. IF MEDIATION IS UNSUCCESSFUL, EITHER OF THE PARTIES MAY SUBMIT THE DISPUTE TO BINDING ARBITRATION BY GIVING WRITTEN NOTICE TO THE OTHER PARTY AND THE MEDIATOR REQUESTING ARBITRATION OF THE DISPUTE (THE

"ARBITRATION NOTICE"). THE PARTIES AGREE THAT ANY APPLICABLE STATUTE OF LIMITATIONS SHALL BE TOLLED FROM THE DATE THE MEDIATION NOTICE IS PROVIDED UNTIL THE DATE THE ARBITRATION NOTICE IS PROVIDED, OR 30 DAYS FOLLOWING THE UNSUCCESSFUL MEDIATION SESSION, WHICHEVER OCCURS FIRST. EITHER PARTY MAY ELECT TO SUBMIT A CLAIM FOR INJUNCTIVE RELIEF WITHOUT FIRST UTILIZING THIS PRE-ARBITRATION MEDIATION PROCESS.

8.6 ARBITRATION PROCEDURE. THE EMPLOYEE AND THE COMPANY AGREE THAT CLAIMS WILL BE SUBMITTED TO A SINGLE, NEUTRAL ARBITRATOR, WHO WILL MAKE A RULING IN A SIGNED WRITING, INCLUDING FINDINGS OF FACT AND LAW, WITHIN THIRTY DAYS FOLLOWING THE ARBITRATION PROCEEDING. THE ARBITRATOR ALONE AND NOT A COURT SHALL HAVE JURISDICTION TO DECIDE THE ARBITRATOR'S JURISDICTION, ANY QUESTIONS AS TO THE ARBITRABILITY OF CLAIMS, WHETHER AN AGREEMENT TO ARBITRATE EXISTS AND IS VALID, AND WHETHER THE AGREEMENT TO ARBITRATE COVERS THE DISPUTE IN QUESTION. PROVIDED, HOWEVER, THAT TO THE EXTENT ANY CLAIMS SUBJECT TO THIS AGREEMENT ARE BROUGHT AS A CLASS ACTION, COLLECTIVE ACTION, OR REPRESENTATIVE ACTION AND THE ARBITRATOR FINDS THE CLASS ACTION WAIVER SET FORTH IN SECTION 8.3 IS UNENFORCEABLE, THE ARBITRATOR SHALL NOT HAVE JURISDICTION TO HEAR OR ARBITRATE ANY SUCH CLAIMS ON A CLASS ACTION, COLLECTIVE ACTION, OR REPRESENTATIVE ACTION BASIS. IN SUCH INSTANCES, THE CLASS ACTION, COLLECTIVE ACTION, OR REPRESENTATIVE ACTION MUST BE LITIGATED IN A CIVIL COURT OF A COMPETENT JURISDICTION. THE ARBITRATOR WILL BE PERMITTED TO AWARD ONLY THOSE REMEDIES IN LAW OR EQUITY THAT ARE REQUESTED BY THE PARTIES AND ALLOWED BY LOCAL, STATE AND/OR FEDERAL SUBSTANTIVE LAW APPLICABLE TO THE CLAIM(S). THE EMPLOYEE UNDERSTANDS AND AGREES THAT THE ARBITRATOR'S RULING WILL STATE THE FACTS AND THE LAW ON WHICH THE DECISION IS BASED, WILL BE FINAL AND BINDING ON BOTH THE EMPLOYEE AND THE COMPANY AND ANY OTHER PARTY IN THE ARBITRATION PROCEEDING, AND CANNOT BE REVIEWED FOR ERROR OF LAW OR LEGAL REASONING OF ANY KIND. A JUDGMENT UPON AN AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION.

8.7 ADMINISTRATIVE REMEDIES / STATUTE OF LIMITATIONS. IF EITHER THE EMPLOYEE OR THE COMPANY FAILS TO MAKE A WRITTEN REQUEST FOR ARBITRATION WITHIN THE STATUTE OF LIMITATIONS PERIOD APPLICABLE TO A CLAIM UNDER APPLICABLE LAW OR OTHERWISE FAILS TO COMPLY WITH THE ADMINISTRATIVE PREREQUISITES TO FILING CERTAIN TYPES OF CLAIMS, THE EMPLOYEE AND/OR THE COMPANY WILL HAVE WAIVED THE RIGHT TO RAISE THAT CLAIM IN ANY FORUM. IN THE EVENT THAT THE EMPLOYEE OR THE COMPANY SHOULD FILE AN ACTION IN COURT IN VIOLATION OF THIS AGREEMENT, THAT COURT SHALL REQUIRE THE PARTIES TO ARBITRATE ALL CLAIMS AND, ADDITIONALLY, SHALL ORDER THE PARTIES TO ARBITRATE THE ISSUE OF WHETHER OR NOT THE CLAIMS ARE SUBJECT TO THE ARBITRATION.

8.8 WITNESSES AND EVIDENCE. THE EMPLOYEE AND THE COMPANY WILL HAVE THE RIGHT TO CONDUCT DISCOVERY IN ACCORDANCE WITH CALIFORNIA STATE LAW, AND THE ARBITRATOR SHALL HAVE THE POWER TO DECIDE ANY DISCOVERY DISPUTES BETWEEN THE PARTIES. THE EMPLOYEE AND THE COMPANY MAY ALSO CALL WITNESSES, CROSS-EXAMINE THE OTHER PARTY'S WITNESSES, AND PRESENT EVIDENCE DURING THE ARBITRATION PROCEEDING IN ACCORDANCE WITH THE CALIFORNIA RULES OF CIVIL PROCEDURE, AS APPLIED BY THE ARBITRATOR.

8.9 COST OF ARBITRATION AND LEGAL FEES. THE COST OF ARBITRATION WILL BE PAID BY THE COMPANY, EXCEPT THAT THE EMPLOYEE WILL BE REQUIRED TO PAY THE INITIAL FILING FEE IF THE EMPLOYEE INITIATES ARBITRATION, TO THE EXTENT THAT THE FILING FEE DOES NOT EXCEED THE FEE TO FILE A COMPLAINT IN STATE OR FEDERAL COURT. THE COMPANY WILL PAY FOR THE BALANCE OF THE ARBITRATOR'S FEES AND ALL ADMINISTRATIVE COSTS RELATED TO THE ARBITRATION. THE PARTIES WILL EACH BEAR THEIR OWN COSTS FOR LEGAL REPRESENTATION, DISCOVERY, DEPOSITION, EXPERT WITNESSES, AND OTHER LEGAL COSTS ORDINARILY BORNE BY A PARTY IN LITIGATION, PROVIDED, HOWEVER, THAT THE ARBITRATOR SHALL HAVE THE AUTHORITY TO REQUIRE ONE PARTY TO PAY THE COSTS AND FEES FOR THE OTHER PARTY'S REPRESENTATION DURING THE ARBITRATION, BUT ONLY TO THE EXTENT PERMITTED UNDER RELEVANT FEDERAL OR STATE LAWS, AS A PART OF ANY REMEDY THAT MAY BE ORDERED.

8.10 CONFIDENTIALITY. THE PARTIES SHALL MAINTAIN THE CONFIDENTIAL NATURE OF THE ARBITRATION PROCEEDINGS AND THE AWARD INCLUDING THE HEARING, EXCEPT AS MAY BE NECESSARY TO PREPARE FOR OR CONDUCT THE ARBITRATION HEARING ON THE MERITS, OR EXCEPT AS MAY BE NECESSARY IN CONNECTION WITH A COURT APPLICATION FOR A PRELIMINARY REMEDY, A JUDICIAL CHALLENGE TO AN AWARD OR ITS ENFORCEMENT, OR UNLESS OTHERWISE REQUIRED BY LAW. RESOLUTION OF THE DISPUTE SHALL BE BASED SOLELY UPON THE LAW GOVERNING THE CLAIMS AND DEFENSES PLEADED, AND THE ARBITRATOR MAY NOT INVOKE ANY BASIS (INCLUDING BUT NOT LIMITED TO NOTIONS OF "JUST CAUSE") OTHER THAN SUCH CONTROLLING LAW. THE ARBITRATOR(S) SHALL RENDER AN AWARD(S) THAT SHALL BE BASED UPON A WRITTEN, REASONED OPINION.

8.11 GOVERNING LAW/VENUE. THE INTERPRETATION, CONSTRUCTION AND PERFORMANCE OF THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA THAT ARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN CALIFORNIA, EXCEPT THAT QUESTIONS CONCERNING THE ENFORCEABILITY OF THIS AGREEMENT SHALL BE DECIDED BY THE ARBITRATOR PURSUANT TO THE FAA. UNLESS THE PARTIES OTHERWISE AGREE, ARBITRATION PROCEEDINGS WILL BE HELD IN A LOCATION WITHIN THE COUNTY IN WHICH EMPLOYEE WAS LAST EMPLOYED BY THE COMPANY IN THE STATE OF CALIFORNIA. IN THE EVENT THAT A COURT OR ARBITRATOR OF COMPETENT JURISDICTION HOLDS THAT THE FAA DOES NOT APPLY TO THIS AGREEMENT AND THE EMPLOYEE HAS NOT INITIALED IN THE BOX BELOW, THE COURT OR ARBITRATOR SHALL APPLY THE CALIFORNIA ARBITRATION ACT AND OTHER APPLICABLE CALIFORNIA LAW TO DETERMINE THE ENFORCEABILITY OF THIS AGREEMENT. BY PLACING THE EMPLOYEE'S INITIALS IN THE BOX BELOW THIS PARAGRAPH, THE EMPLOYEE AND THE COMPANY INSTEAD VOLUNTARILY AGREE TO CONFIDENTIAL ARBITRATION OF ANY CLAIMS IN ACCORDANCE WITH THIS AGREEMENT, REGARDLESS OF WHETHER OR NOT A COURT OR ARBITRATOR DETERMINES THAT THE FAA APPLIES TO THIS AGREEMENT. IF THE EMPLOYEE DOES NOT INITIAL BELOW, THE EMPLOYEE IS EXPRESSING THEIR INTENTION IN THE EVENT THAT A COURT OR ARBITRATOR OF COMPETENT JURISDICTION HOLDS THAT THE FAA DOES NOT APPLY TO THIS AGREEMENT TO BRING THE EMPLOYEE'S CLAIMS IN PUBLIC COURT, RATHER THAN IN CONFIDENTIAL ARBITRATION.

/s/ LP
Employee initials

ARTICLE 9 – GENERAL

9.1 Notices. Any notices to be given hereunder by either party to the other party may be effected in writing, either by personal delivery or by mail if sent certified, postage prepaid, with return receipt requested. Mailed notices will be addressed to the parties at the address set out on the first page of this Agreement, or as otherwise specified from time to time. Notice will be effective upon delivery.

9.2 Independent Legal Advice. The Employee specifically confirms that Employee has been advised to retain Employee's own independent legal advice prior to entering into this Agreement.

9.3 Construction. The parties acknowledge that each party and its respective counsel have had the opportunity to independently review and negotiate the terms and conditions of this Agreement, and that the normal rule of construction to the effect that any ambiguities are to be construed against the drafting party will not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

9.4 Assignment. The Employee cannot assign Employee's interest in this Agreement.

9.5 Benefit of Agreement. This Agreement will inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto.

9.6 Entire Agreement. The terms and conditions contained within this Agreement constitute the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior employment agreements, understandings and arrangements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement.

9.7 Amendments and Waivers. No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by the Employee and the Head of Global Human Resources of the Company or Employee's duly authorized designee. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

9.8 Governing Law. This Agreement will be governed by and construed, enforced and interpreted exclusively in accordance with the laws of the State of California, except as specified in Articles 5.3 and 8 above.

9.9 Code Section 409A. The parties intend that payments and benefits under this Agreement are exempt from or comply with Internal Revenue Code Section 409A and the regulations and guidance thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance with Code Section 409A.

(a) To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by reason of Code Section 409A or damages for failing to comply with Code Section 409A. For purposes of compliance with Code Section 409A, each payment subject to Code Section 409A (or intended to satisfy an exception under Code Section 409A including payment under Sections 4.3(c) and 4.3(d) of this Agreement) will be treated as a separate payment, and the right to a series of installment payments under this Agreement will be treated as a right to a series of separate payments.

(b) To the extent that payments under the Agreement that are payable upon the Employee's termination of employment constitute "nonqualified deferred compensation" that is subject to Code Section 409A, a termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for any such payment upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms means "separation from service."

(c) Notwithstanding any other payment schedule provided herein to the contrary, if the Employee is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A (or the Company has opted to treat all employees as "specified employees"), then any payment that is considered "nonqualified deferred compensation" under Code Section 409A payable on account of a "separation from service" will not be made until the date which is the earlier of:

(i) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Employee, and

(ii) the date of the Employee's death, to the extent required under Code Section 409A (the delay referred to as the "Delay Period").

(d) Upon the expiration of the Delay Period, all payments delayed pursuant to this Section 9.9 (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid to the Employee in a lump sum (with no accrued interest), and all remaining payments due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(e) Any reimbursements by the Company to the Employee of any eligible expenses under this Agreement that are not excludable from the Employee's income for U.S. federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the last day of the taxable year of the Employee following the year in which the expense was incurred. The amount of any Taxable Reimbursements, and the value of any in-kind benefits to be provided to the Employee, during any taxable year of the Employee shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year of the Employee. The right to Taxable Reimbursement, or in-kind benefits, shall not be subject to liquidation or exchange for another benefit.

9.10 Limitation on Payments.

(a) In the event that the severance or change in control-related or other payments or benefits provided for in this Agreement or otherwise payable to Employee (collectively, the "Payments") (x) constitute "parachute payments" within the meaning of Section 280G of the Code, and (y) but for this Section 9.10, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments or benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by the Employee on an after-tax basis, of the greatest amount of Payments, notwithstanding that all or some portion of such Payments may be taxable under Section 4999 of the Code. If a reduction in Payments constituting "parachute payments" is necessary so that Payments are delivered to a lesser extent, reduction will occur in the following order: (i) cancellation of equity awards granted "contingent on a change in ownership or control" (within the meaning of Section 280G of the Code); (ii) a pro rata reduction of (A) cash payments that are subject to Code Section 409A as deferred compensation and (B) cash payments not subject to Code Section 409A; (iii) a pro rata reduction of (A) employee benefits that are subject to Section 409A as deferred compensation and (B) employee benefits not subject to Section 409A; and (iv) a pro rata cancellation of (A) accelerated vesting of equity awards that are subject to Code Section 409A as deferred compensation and (B) equity awards not subject to Code Section 409A. If acceleration of vesting of equity awards is to be cancelled, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Employee's equity awards. In no event will Employee have any discretion with respect to the ordering of payment reductions.

(b) Unless the Company and Employee otherwise agree in writing, any determination required under this Section 9.10 will be made in writing by a nationally recognized firm of independent public accountants selected by the Company (the "Accountants"), whose determination will be conclusive and binding upon Employee and the Company for all purposes. For purposes of making the calculations required by this Section 9.10, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Employee will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 9.10. The Company will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 9.10.

IN WITNESS WHEREOF the parties have executed this Agreement as of the last date written below.

ZYMEWORKS BIOPHARMACEUTICALS INC.

By: /s/ Kenneth Galbraith
Kenneth Galbraith
Chair and Chief Executive Officer

July 19, 2024
Date

SIGNED AND DELIVERED by **Employee**:

/s/ Leone Patterson
Signature

July 19, 2024
Date

ZYMEWORKS INC.

INDUCEMENT STOCK OPTION AND EQUITY COMPENSATION PLAN

(as amended and restated through July 19, 2024)

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ARTICLE I

INTERPRETATION

Section 1.1 Definitions

For the purposes of this Plan, the following terms shall have the following meanings:

(a) "**Affiliate**" or "**Affiliated**" means, with respect to any specified Person, any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise);

(b) "**Arrangement Effective Time**" has the meaning given to that term in the Transaction Agreement.

(c) "**Authorized Leave**" means any leave of absence (paid or unpaid) approved in writing by the Corporation for a period of more than four (4) weeks that occurs while the Participant continues to be employed as an employee by the Corporation and includes any parental leave, short term disability or other bona fide paid or unpaid leave of absence or sabbatical period;

(d) "**Award**" means a grant of an Option or of an Other Award hereunder. Each Award under the Plan is intended to qualify as an employment inducement award under Rule 5635(c)(4).

(e) "**Board**" means the board of directors of the Corporation as constituted from time to time, or a committee thereof to which authority has been delegated by the board of directors with respect to any particular functions of the board of directors, as set forth in Section 2.1(c) herein;

(f) "**Business Day**" means a day, other than a Saturday or Sunday, on which banking institutions in Vancouver, British Columbia are not authorized or obligated by law to close;

(g) "**Change of Control**" means the happening, in a single transaction or in a series of related transactions, of any of the following events:

(i) any transaction (other than a transaction described in clause (ii) below) pursuant to which any person or group of persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation's then issued and outstanding securities entitled to vote in the election of directors of the Corporation;

(ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such transaction;

(iii) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than (A) a disposition to a Person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition or (B) a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by Shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition;

(iv) the passing of a resolution by the Board or Shareholders to substantially liquidate the assets of the Corporation or wind up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement);

(v) individuals who, on the Effective Time, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board; or

(vi) any transaction, plan, scheme, reorganization or arrangement whereby an entity acquires, directly or indirectly, greater than fifty percent (50%) of the Zymeworks Common Shares (as defined in the Transaction Agreement), such that upon the Arrangement Effective Time, the Corporation is a successor to Zymeworks (as defined in the Transaction Agreement) under this Plan. For the avoidance of doubt, the addition of this clause (vi) is effective as of immediately prior to, and contingent upon, the Arrangement Effective Time.

(h) "**Code**" has the meaning given to that term in Appendix 1;

(i) "**Corporation**" means Zymeworks Inc., a Delaware corporation, and its respective successors and assigns;

(j) "**Date of Grant**" means the date on which a particular Award is granted by the Board as evidenced by the Grant Agreement pursuant to which the particular Award was granted;

(k) "**Effective Time**" has the meaning given to that term in Section 2.5;

(l) "**Eligible Person**" means any employee of the Corporation or any of its direct or indirect subsidiaries to whom the grant of the Award or Awards to the Employee is a material inducement to the Employee's entering into employment with the Company (or any of its Parent or Subsidiaries, as applicable) in accordance with Rule 5635(c)(4), including grants to new employees in connection with a merger or acquisition;

(m) "**Exercise Notice**" means an election to exercise Options granted to a Participant under this Plan, in the case of Options substantially in the form attached as Exhibit "B" to the Grant Agreement, as may be amended from time to time by the Corporation;

(n) "**Exercise Period**" means the period from the Vesting Date to the close of business on the Expiry Date during which a particular Option may be exercised in the manner described in Section 4.1 in the case of Options;

(o) "**Exercise Price**" has the meaning given to that term in Section 3.2;

(p) "**Expire**" means, with respect to an Option, the termination of such Option, on the occurrence of which such Option is void, incapable of exercise and of no value whatsoever; and Expires, Expired and Expiry have a similar meaning;

(q) "**Expiry Date**" means the date on which an Option Expires;

(r) "**Fair Market Value**" means, on any particular day, the Market Price of a Share, but if the Shares are not listed and posted for trading on an applicable stock exchange at the relevant time, it shall be the fair market value of the Share, as determined by the Board acting in good faith;

(s) "**Grant Agreement**" means an agreement between the Corporation and a Participant under which an Award is granted, in the case of Options substantially in the form attached hereto as Schedule "A", as may be amended from time to time by the Corporation;

(t) "**Incapacity**" has the meaning given to that term in Section 4.3(c);

(u) "**Incumbent Board**" has the meaning given to that term in Section 1.1(f);

(v) "**Market Price**" means, on any particular day, closing sale price of a Share on the Primary Stock Exchange for such day (or, if such day is not a trading day), the closing sale price reported for the immediately preceding trading day. Notwithstanding the foregoing, the Corporation may convert a Market Price denominated in United States currency to Canadian currency, or vice-versa, at the Bank of Canada daily average exchange rate on the day prior to the particular day, and the converted amount shall be the Market Price;

(w) ”**Nasdaq**” means The Nasdaq Stock Market LLC.

(x) “**Non-Executive Director**” means any director of the Corporation who is not an employee or officer of the Corporation or any Affiliate;

(y) “**Option**” means an option to purchase a Share that is granted to an Eligible Person pursuant to the terms of this Plan;

(z) “**Other Award**” means an Award granted under Article 5 hereof.

(aa) “**Participant**” means an Eligible Person to whom an Award has been granted;

(bb) “**Person**” means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division or any government, governmental department or agency or political subdivision thereof;

(cc) “**Plan**” means this Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan, originally effective January 5, 2022, as amended through July 19, 2024, and as it may be further amended from time to time;

(dd) “**Primary Stock Exchange**” means a Stock Exchange where the majority of the trading volume and value of the Shares has occurred for the five (5) trading days immediately preceding the relevant date;

(ee) “**Rule 5635(c)(4)**” means the Nasdaq Listing Rule 5635(c)(4), the official regulations and other official interpretive material and guidance issued under such rule.

(ff) “**Share**” means a share of common stock of the Corporation;

(gg) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism of the Corporation involving the issuance or potential issuance of securities of the Corporation from treasury, including without limitation a Share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise, but does not include any such arrangement which does not involve the issuance from treasury or potential issuance from treasury of securities of the Corporation;

(hh) “**Shareholders**” means holders of Shares;

(ii) “**Stock Exchange**” means the Nasdaq Global Select Market and, if the Shares are listed and posted for trading on another stock exchange, the stock exchange(s) on which the Shares are listed or posted for trading;

(jj) “**Surrender**” has the meaning given to that term in Section 4.1(c);

(kk) "**Surrender Notice**" has the meaning given to that term in Section 4.1(c);

(ll) "**Termination Date**" has the meaning given to that term in Section 4.3(c);

(mm) "**Transaction Agreement**" means the Restated and Amended Transaction Agreement dated August 18, 2022 by and among the Corporation (then-referred to as Zymeworks Delaware Inc.), Zymeworks Inc., a company then-existing under the Business Corporations Act (British Columbia), Zymeworks Callco ULC, and Zymeworks ExchangeCo Ltd. as the same may be amended, modified or supplemented from time to time in accordance therewith, prior to the Arrangement Effective Time; and

(nn) "**Vesting Date**" means the date or dates determined in accordance with the terms of the Grant Agreement entered into in respect of such Award (with respect to Options as described in Section 3.3), on and after which a particular Award, or any part thereof, becomes non-forfeitable and/or may be exercised (as the case may be), subject to amendment or acceleration from time to time in accordance with the terms hereof or the terms of the Grant Agreement.

Section 1.2 Interpretation

(a) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term "discretion" or "authority" means the sole and absolute discretion of the Board.

(b) In the Plan, words importing the singular shall include the plural and vice versa and words importing any gender include any other gender.

(c) Unless otherwise specified in the Participant's Grant Agreement, all references to money amounts are to (x) with respect to Awards granted prior to the Arrangement Effective Time, Canadian currency, and (y) with respect to Awards granted on or after the Arrangement Effective Time, U.S. dollars.

(d) As used herein, the terms "Article" and "Section" mean and refer to the specified Article and Section of this Plan, respectively.

(e) The words "including" and "includes" mean "including (or includes) without limitation".

ARTICLE II

GENERAL PROVISIONS

Section 2.1 Administration

(a) The Board shall administer this Plan. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements.

(b) Subject to the terms and conditions set forth herein, the Board has the authority: (i) to grant Awards to Eligible Persons (which Awards will be intended as a material inducement to the individual becoming an Eligible Person, including grants to new employees); (ii) to determine the terms, including the limitations, restrictions, vesting period and conditions, if any, of such grants; (iii) to interpret this Plan and all agreements entered into hereunder; (iv) to adopt, amend and rescind such administrative guidelines and other rules relating to this Plan as it may from time to time deem advisable; and (v) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable. The Board's guidelines, rules, interpretations and determinations shall be conclusive and binding upon the Corporation, its subsidiaries and all Participants, Eligible Persons and their legal, personal representatives and beneficiaries.

(c) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee thereof. For greater certainty, any such delegation by the Board may be revoked or amended at any time at the Board's sole discretion.

(d) No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification by the Corporation with respect to any such action or determination.

(e) The Board may adopt such rules or regulations and vary the terms of this Plan and any grant hereunder as it considers necessary to address tax or other requirements of any applicable U.S. or non-U.S. jurisdiction.

(f) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Shares or any other securities in the capital of the Corporation other than as specifically provided for in the Plan.

Section 2.2 Shares Reserved

(a) Subject to the other provisions of this Section 2.2, the maximum number of Shares that may be delivered pursuant to Awards granted under the Plan shall be 1,450,000 (reflecting an increase of 700,000 Shares approved on July 19, 2024).

(b) For the purposes of calculating the maximum aggregate number of Shares which may be delivered under this Plan pursuant to Section 2.2(a), following the Expiry, cancellation or other termination of any Awards under this Plan, a number of Shares equal to the number of shares subject to such Awards, cancelled or terminated shall immediately and automatically become available for issuance in respect of Awards that may be subsequently granted under this Plan.

(c) The Corporation shall at all times reserve for issuance and keep available such number of Shares as shall be sufficient to satisfy the requirements of this Plan.

(d) If there is a change in the outstanding Shares by reason of any stock dividend or split, or in connection with a reclassification, reorganization or other change of Shares, consolidation, distribution (other than an ordinary course dividend in cash or Shares, but including for greater certainty shares or equity interests in a subsidiary or business unit of the Corporation or one of its subsidiaries or cash proceeds of the disposition of such a subsidiary or business unit), merger or amalgamation or similar corporate transaction, the Board shall make, subject to any required approval of the Stock Exchange, the appropriate substitution or adjustment in order to maintain the Participants' economic rights in respect of their Awards in connection with such change, including without limitation:

(i) adjustments to the Exercise Price without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Share covered by the Option;

(ii) adjustments to the number of Shares to which a Participant is entitled upon exercise or vesting of an Award;

(iii) adjustments permitting the immediate exercise of any outstanding Options that are not otherwise exercisable or the immediate vesting of Other Awards; and

(iv) adjustments to the number or kind of Shares or other securities reserved for issuance pursuant to the Plan and to the number or kind of Shares or other securities or other property issuable upon the exercise or vesting of Awards.

Section 2.3 Amendment and Termination

(a) The Board may, in its sole discretion, suspend or terminate the Plan at any time or from time to time and/or amend or revise the terms of the Plan or of any Award granted under the Plan and any Grant Agreement relating thereto, provided that such suspension, termination, amendment or revision shall:

(i) not adversely alter or impair any Award previously granted except as permitted by the terms of this Plan;

(ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; or

(iii) be subject to Shareholder approval, where required by law, the requirements of the Stock Exchange or this Plan.

(b) If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force with respect to outstanding Awards will continue in effect as long as any such Award or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board will remain able to make such interpretations and amendments to the Plan or the Awards as they would have been entitled to make if the Plan were still in effect.

(c) Subject to Section 2.3(a), the Board may from time to time, in its discretion, make changes to the Plan or any Award, which may include but are not limited to:

(i) any amendment of a "housekeeping" nature, including without limitation those made to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan regarding administration of the Plan;

(ii) a change to the vesting provisions of the Plan or any Award;

(iii) a change to the provisions governing assignability and the effect of termination of a Participant's employment, contract or office;

(iv) the addition of a form of financial assistance and any amendment to a financial assistance provision which is adopted;

(v) a change to advance the date on which any Option may be exercised under the Plan; and

(vi) an amendment of the Plan or an Award as necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, the Plan, the Participants or the Shareholders.

(d) Shareholder approval is required for any reduction in the Exercise Price of an Option after the Option has been granted or any cancellation of such Option and the substitution of that Option with a new Option with a reduced Exercise Price, except in the case of an adjustment pursuant to Section 2.2(d).

Section 2.4 Compliance with Legislation

(a) The Plan (including any amendments thereto), the terms of the grant of any Award under the Plan, the grant and exercise of any Award and the Corporation's obligation to sell and deliver Shares upon the vesting or exercise of any Award, shall be subject to all applicable U.S. and non-U.S. federal, provincial, state and local laws, rules and regulations, the rules and regulations of the Stock Exchange and any other stock exchange on which the Shares are listed or posted for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue or sell Shares in violation of such laws, rules and regulations or any condition of such approvals.

(b) No Award shall be granted, and no Shares shall be issued or sold hereunder, where such grant, issue or sale would require registration of the Plan or of Shares under the securities laws of any non-U.S./non-Canadian jurisdiction, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.

(c) The Corporation shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with the Stock Exchange (and any other stock exchange on which the Shares are listed or posted for trading). Shares issued and sold to Participants pursuant to the exercise or vesting of Awards may be subject to limitations on sale or resale under applicable securities laws.

(d) If Shares cannot be issued to a Participant upon the exercise or vesting of an Award due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of an Option will be returned to the applicable Participant as soon as practicable.

Section 2.5 Effective Time and Termination

The Plan originally became effective at the time (the "**Effective Time**") it was originally approved by the Board of Zymeworks and has been and may be amended from time to time. No Awards may be issued under the Plan from and after the tenth anniversary of the Effective Time, provided that Awards issued prior to such date shall remain in effect following such date in accordance with their terms.

Section 2.6 Tax Withholdings and Deductions

The Corporation shall have the authority and the right to deduct or withhold from any amount otherwise payable to a Participant, or require a Participant to remit to the Corporation, an amount sufficient for the Corporation to be able to comply with the applicable provisions of any U.S. or non-U.S. federal, provincial, state or local law relating to the withholding of tax or other required deductions ("Tax Obligations") arising as a result of any Award. Notwithstanding any other provision contained herein, the delivery of Shares with respect to any Award granted under this Plan is subject to the condition that if at any time the Corporation determines, in its discretion, that the satisfaction of the Tax Obligations is necessary or desirable in respect of such delivery, such delivery is not required unless provision for the Tax Obligation has been made to the satisfaction of the Corporation. In such circumstances, the Corporation may require that a Participant pay to the Corporation, in addition to the Exercise Price for the Shares (if applicable), such amount as the Corporation is obliged to remit to the relevant taxing authority in respect of the Award. Any such additional payment is due no later than the date as of which any amount with respect to the Award first becomes includable in the gross income of the Participant for tax purposes. To the extent permitted by the Board, a Participant may direct a portion of the Shares acquired to be sold by a broker to satisfy the Tax Obligations and the funds from such sale to be paid to the Corporation to be remitted to the relevant taxing authority.

Section 2.7 Non-Transferability

Except as set forth herein, Awards are not transferable. Options may be exercised only by:

(a) the Participant to whom the Options were granted;

(b) with the Board's prior written approval and subject to such conditions as the Corporation may stipulate (which may include conditions with respect to compliance with applicable securities law), such Participant's family or retirement savings trust or any registered retirement savings plans or registered retirement income funds of which the Participant is and remains the annuitant;

(c) upon the Participant's death, by the legal representative of the Participant's estate; or

(d) upon the Participant's Incapacity, the legal representative having authority to deal with the property of the Participant;

provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Option. A person exercising an Option may subscribe for Shares only in the person's own name or in the person's capacity as a legal representative.

Section 2.8 Participation in this Plan

(a) No Participant has any claim or right to be granted an Award (including, without limitation, an Award granted in substitution for any Award that has expired pursuant to the terms of this Plan), and the granting of any Award does not and is not to be construed as giving a Participant a right to continued employment or to remain an employee of the Corporation or an Affiliate of the Corporation. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Corporation or an Affiliate of the Corporation in connection with the employment, retention or termination of any such person.

(b) No Participant has any rights or privileges as a shareholder of the Corporation in respect of Shares with respect to any Award until the allotment and issuance to the Participant of certificates representing such Shares or the entry of such Participant's name on the share register of the Corporation as the holder of Shares and that person becomes the holder of record of those Shares. The Participant or the Participant's legal representative shall not, by reason of the grant of any Award (other than an Award of Restricted Stock as set forth in Article 5), be considered to be a shareholder of the Corporation until shares have been issued in respect thereof.

(c) The Corporation makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting the Participant resulting from the grant, vesting or delivery of an Award or transactions in the Shares. With respect to any fluctuations in the market price of Shares, neither the Corporation, nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such person or any other person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation does not assume responsibility for the income or other tax consequences resulting to the Participant and they are advised to consult with their own tax advisors.

Section 2.9 Notice

Each notice relating to an Award, including the exercise of an Option, must be in writing. All notices to the Corporation must be delivered personally, by prepaid registered mail or by email and must be addressed to the secretary of the Corporation. All notices to the Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received: (i) if delivered personally, on the date of delivery; (ii) if sent by prepaid, registered mail, on the fifth Business Day following the date of mailing; or (iii) if sent by email, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic "read receipt" does not constitute acknowledgment of an email for purposes hereof. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

Section 2.10 Right to Issue Other Shares

The Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Shares, repurchasing Shares or varying or amending its share capital or corporate structure.

Section 2.11 Quotation of Shares

So long as the Shares are listed on a Stock Exchange, the Corporation must apply to the Stock Exchange for the listing or quotation, as applicable, of the Shares issued upon the exercise or delivery of all Awards granted under the Plan, however, the Corporation cannot guarantee that such Shares will be listed or quoted on the Stock Exchange or any other stock exchange.

Section 2.12 No Fractional Shares

No fractional Shares shall be issued upon the exercise or delivery of any Award granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or delivery of an Award, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase or receive the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 2.13 Governing Law

With respect to Awards granted prior to the Arrangement Effective Time, the Plan shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. With respect to Awards granted on or after the Arrangement Effective Time, the Plan shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof and the federal laws of the United States applicable therein, without giving effect to the principles of conflicts of law thereof.

ARTICLE III

OPTIONS

Section 3.1 Grant

(a) Subject to the provisions of this Plan, the Board may grant Options to any Eligible Person upon the terms, conditions and limitations set forth herein or such other terms, conditions and limitations as the Board may determine and set forth in the Grant Agreement; provided each Option granted under the Plan shall be a Non-Qualified Option.

(b) An Option shall be evidenced by a Grant Agreement, signed on behalf of the Corporation.

(c) The grant of an Option to, or the exercise of an Option by, a Participant under the Plan shall neither entitle such Participant to receive nor preclude such Participant from receiving subsequently granted Options.

Section 3.2 Exercise Price

An Option may be exercised at a price that shall be fixed by the Board at the time that the Option is granted, but in no event shall it be less than the Fair Market Value of the Shares on the Date of Grant (the "**Exercise Price"**). The Exercise Price shall be subject to adjustment in accordance with the provisions of Section 2.2(d) hereof.

Section 3.3 Vesting

(a) All Options granted hereunder shall vest in accordance with the terms of the Grant Agreement entered into in respect of such Options. The Board has the right to accelerate the date upon which any Option becomes exercisable notwithstanding the vesting schedule set forth for such Option, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration.

(b) The vesting of any Options granted hereunder shall continue to vest during any period of Authorized Leave.

ARTICLE IV

EXERCISE & EXPIRY & CHANGE OF CONTROL

Section 4.1 Conditions of Exercise

(a) Vested Options may only be exercised during the Exercise Period by the Participant or upon the Participant's death or Incapacity, his or her legal representative (provided that such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise such vested Options). Subject to the restrictions set out in this Plan and to any alternative exercise procedure which may be established from time to time by the Board, Options to acquire Shares may be exercised by delivering to the Corporation an Exercise Notice, together with a bank draft, certified cheque or other form of payment acceptable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and, if required by Section 2.6, the amount necessary to satisfy any source deductions or withholding taxes.

(b) Pursuant to the Exercise Notice, a Participant may choose to undertake a "cashless exercise" with the assistance of a broker in order to facilitate the exercise of such Participant's Options. The "cashless exercise" procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that Participant under an Exercise Notice. The Participant shall also comply with Section 2.6 of this Plan with regards to any applicable withholding tax and shall comply with all such other procedures and policies as the Corporation may prescribe or determine to be necessary or advisable from time to time in connection with such "cashless exercise."

(c) In addition, in lieu of exercising any vested Option in the manner described in this Article 4, and pursuant to the terms of this Article 4, a Participant may provide a properly endorsed notice of surrender to the Secretary of the Corporation, substantially in the form of Exhibit "C" to the Grant Agreement (a "**Surrender Notice**") pursuant to which the Participant agrees to transfer, dispose and surrender an Option ("**Surrender**") to the Corporation and elects to receive that number of Shares calculated using the following formula, after deduction of any income tax and other amounts required by law to be withheld pursuant to Section 2.6:

X = Y * (A-B) / A

Where:

X = the number of Shares to be issued to the Participant

Y = the number of Shares underlying the Options to be Surrendered

A = the Fair Market Value of the Shares as at the date of the Surrender

B = the Exercise Price of such Options

The decision of whether or not to permit Surrender for any Option is at the sole discretion of the Corporation and will be made on a case by case basis.

(d) Where Shares are to be issued to the Participant pursuant to the terms of this Section 4.1, as soon as practicable following the receipt of the Exercise Notice and, if Options are exercised only in accordance with the terms of Section 4.1(a), the required bank draft, certified cheque or other acceptable form of payment, the Corporation shall duly issue such Shares to the Participant as fully paid and non-assessable.

Section 4.2 Exercise Period

(a) The Exercise Period shall be determined by the Board in its sole and absolute discretion at the time the Option is granted and:

(i) each Option shall Expire not later than ten (10) years after the Date of Grant; and

(ii) unless otherwise provided in the Participant's Grant Agreement, the Exercise Period shall be automatically reduced or the Expiry Date postponed in accordance with this Article 4 upon the occurrence of any of the events referred to herein.

(b) Notwithstanding any other provision of the Plan, if the Expiry Date of an Option falls on a date upon which such Participant is prohibited from exercising such Option due to a blackout period or other trading restriction imposed by the Corporation, then the Expiry Date of such Option shall be automatically extended to the tenth (10th) Business Day following the date

the relevant black-out period or other trading restriction imposed by the Corporation is lifted, terminated or removed; provided, however, that notwithstanding the foregoing, the Expiry Date of an Option shall in no case extend beyond the tenth (10th) anniversary of the date on which it is granted.

Section 4.3 Termination Date

(a) Subject to Section 4.2, unless otherwise provided in the Participant's Grant Agreement, employment agreement:

(i) if, at any time, a Participant ceases to be an employee of the Corporation or a subsidiary as a result of the Participant's retirement with the concurrence of the Board, any Options granted to such Participant and vested as of the Termination Date (as defined below) shall remain exercisable by such Participant until the earlier of: (i) 90 days following the Termination Date; and (ii) the Expiry Date. As of the Termination Date, all unvested Options of such Participant shall Expire and such Participant shall no longer be eligible for a grant of Options;

(ii) if, at any time, a Participant ceases to be an employee of the Corporation or a subsidiary as a result of the Participant's death or Incapacity, any Options granted to such Participant and vested as of the Termination Date shall remain exercisable by such Participant (or, in accordance with Section 2.7, the Participant's legal representative) until the earlier of: (i) one year following the date of death or the date on which the Board determines that the Incapacity will prevent the employee from fulfilling his or her duties with the Corporation; and (ii) the Expiry Date. As of the Termination Date, all unvested Options of such Participant shall Expire;

(iii) if, at any time, a Participant ceases to be an employee of the Corporation or a subsidiary as a result of the Participant's termination for cause, as determined by the Board, in its discretion, then, as of the Termination Date, the vested and unvested Options granted to such Participant shall Expire and be of no further force or effect whatsoever and such Participant shall no longer be eligible for a grant of Options;

(iv) if, at any time, a Participant ceases to be an employee of the Corporation or a subsidiary as a result of the Participant's resignation, then any Options granted to such Participant and vested as of the Termination Date shall remain exercisable by such Participant until the earlier of: (i) 90 days following the Termination Date; and (ii) the Expiry Date. As of the Termination Date, all unvested Options granted to such Participant shall Expire and be of no further force or effect whatsoever and such Participant shall no longer be eligible for a grant of Options; and

(v) if, at any time, a Participant ceases to be an employee of the Corporation or a subsidiary as a result of the Participant's dismissal without cause, any Options granted to such Participant and vested as of the Termination Date shall remain exercisable by such Participant until the earlier of: (i) ninety (90) days following the Termination Date; and (ii) the Expiry Date. As of the Termination Date, all unvested Options of such Participant shall Expire (for certainty, without regard to any period of reasonable notice that the Corporation or a subsidiary, as the case may be, may be required at law to provide to the Participant) and such Participant shall no longer be eligible for a grant of Options.

(b) Notwithstanding any other provisions of this Section 4.3, the Board may extend the expiration date of vested and unvested Options of a Participant beyond the Expiry Dates set out above, provided that such extended dates are not later than the initial assigned maximum Expiry Date of any such Option.

(c) For purposes of the foregoing:

"**Incapacity**" means the permanent and total incapacity of a Participant as determined in accordance with procedures established by the Board for purposes of this Plan; and

"**Termination Date**" means in the case of a Participant whose employment or term of office with the Corporation or a subsidiary terminates in the circumstances set out in Section 4.3, the date that is designated by the Corporation or a subsidiary, as the case may be, as the last day of the Participant's employment or term of office with the Corporation or a subsidiary, as the case may be, provided that in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and, in the case of a termination by the Corporation without cause, "Termination Date" specifically does not mean the date on which any period of reasonable notice that the Corporation or a subsidiary, as the case may be, may be required at law to provide to the Participant, would expire.

Section 4.4 Change of Control

(a) Notwithstanding anything else in this Plan or any Grant Agreement, the Board has the right to provide for the conversion or exchange of any outstanding Awards into or for options, rights or other securities in any entity participating in or resulting from a Change of Control, cash or other property.

(b) Upon the Corporation entering into an agreement relating to a transaction which, if completed, would result in a Change of Control, or otherwise becoming aware of a pending Change of Control, the Corporation shall give written notice of the proposed Change of Control to the Award holders, together with a description of the effect of such Change of Control on outstanding Awards, not less than seven (7) days prior to the closing of the transaction resulting in the Change of Control.

(c) The Board may, in its sole discretion, accelerate the vesting and/or the Expiry Date of any or all outstanding Awards to provide that, notwithstanding the vesting provisions of such Awards or any Grant Agreement, such designated outstanding Awards shall be fully vested and conditionally exercisable (in the case of Options) upon (or prior to) the completion of the Change of Control provided that the Board shall not, in any case, authorize the exercise of Options pursuant to this Section 4.4(c) beyond the Expiry Date of the Options. If the Board elects to accelerate the vesting and/or the Expiry Date of the Options, then if any of such Options are not

exercised within seven (7) days after the applicable holders are given the notice contemplated in Section 4.4(b) (or such later Expiry Date as the Board may prescribe), such unexercised Options shall, unless the Board otherwise determines, terminate and Expire following the completion of the proposed Change of Control. If, for any reason, the Change of Control does not occur within the contemplated time period, the acceleration of the vesting and the Expiry Date of the Awards shall be retracted and vesting shall instead revert to the manner provided in the Grant Agreement.

(d) To the extent that the Change of Control would also result in a capital reorganization, arrangement, amalgamation or reclassification of the share capital of the Corporation (and the Board does not accelerate the vesting and/or the Expiry Date of Awards pursuant to Section 4.4(c)), the Corporation shall make adequate provisions to ensure that, upon completion of the proposed Change of Control, the number and kind of shares subject to outstanding Awards and, if applicable, the Exercise Price per share of Options shall be appropriately adjusted (including by substituting the Awards for awards with respect to securities in any successor entity to the Corporation) in such manner as the Board considers equitable to prevent substantial dilution or enlargement of the rights granted to Award holders. The Board may make changes to the terms of the Awards or the Plan to the extent necessary or desirable to comply with any rules, regulations or policies of any stock exchange on which any securities of the Corporation may be listed, provided that the value of previously granted Awards and the rights of Award holders are not materially adversely affected by any such changes.

(e) Notwithstanding anything else to the contrary herein, in the event of a potential Change of Control, the Board shall have the power, in its sole discretion, to modify the terms of this Plan and/or the Awards (including, for greater certainty, to cause the vesting of all unvested Awards) to assist the Participants to tender into a take-over bid or other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to permit Participants to conditionally exercise their Options, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 4.4(e) is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 4.4(e) or the definition of "Change of Control": (i) any conditional exercise of vested Options shall be deemed to be null, void and of no effect, and such conditionally exercised Options shall for all purposes be deemed not to have been exercised; (ii) Shares which were issued pursuant to exercise of Options which vested pursuant to this Section 4.4 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares; and (iii) the original terms applicable to Options which vested pursuant to this Section 4.4 shall be reinstated.

ARTICLE V

OTHER AWARDS

Section 5.1 General

In addition to Awards of Options hereunder, the Board may grant the types of Awards described in this Article 5 ("**Other Awards**"), in accordance with the terms of this Article and the Plan.

The Board has the right to accelerate the date upon which any Other Award vests notwithstanding the vesting schedule set forth for such Other Award, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration.

Section 5.2 Restricted Stock

The Board may grant or award Shares to Eligible Persons that are subject to transfer, vesting and forfeiture restrictions ("**Restricted Stock**") in respect of such number of Shares, and subject to such terms or conditions, as it shall determine and specify in a Grant Agreement, and may provide in a Grant Agreement for an Option to be exercisable for Restricted Stock. A holder of Restricted Stock shall have all of the rights of a shareholder of the Corporation, including the right to vote the shares, unless the Board shall otherwise determine at the time of grant; provided that unless the Board determines otherwise any dividends paid on Restricted Stock will be held in escrow until all restrictions on such Shares have lapsed. Unless a Participant's Grant Agreement provides to the contrary, unvested Restricted Stock shall not be transferred without the written consent of the Board. In addition, at the time of termination for any reason of a Participant's employment or other service relationship with the Corporation or a subsidiary, unvested Restricted Stock shall be forfeited to the Corporation for no consideration, unless otherwise determined by the Board. Share certificates, if any, representing Awards of Restricted Stock (which may also be held in book entry or similar form) shall be imprinted with a legend to the effect that the Shares represented may not be sold, exchanged, transferred, pledged, hypothecated or otherwise disposed of except in accordance with the terms of the Grant Agreement and, if the Board so determines, the holder may be required to deposit the share certificates or other evidence of legal and beneficial ownership with the President, Chief Financial Officer, Secretary or other officer of the Corporation or with an escrow agent designated by the Board, together with a stock power or other instrument of transfer appropriately endorsed in blank. In the event that the Restricted Stock is not represented by a share certificate, the Corporation shall direct the Corporation's registrar and transfer agent to make an appropriate notation of the restrictions on transfer to which the Restricted Stock is subject in the stock books and records of the Corporation.

Section 5.3 Restricted Stock Units

The Board may grant Awards payable in Shares upon vesting ("**Restricted Stock Units**") to Eligible Persons hereunder, in respect of such number of Shares, and subject to such terms or conditions, as it shall determine and specify in a Grant Agreement. A Restricted Stock Unit represents the right to receive, without payment to the Corporation, a Share. Restricted Stock Units shall become vested as determined by the Board as set forth in the applicable Grant

Agreement, unless otherwise described in the Plan. Amounts payable in connection with a Restricted Stock Unit shall be paid to the holder thereof as set forth in the applicable Grant Agreement, but in no event later than two and one-half months following the end of the calendar year in which the applicable vesting condition is met (unless receipt is deferred in accordance with procedures adopted by the Board, any of which shall comply with the requirements of Section 409A of the Code if the Participant is a United States taxpayer). Restricted Stock Units shall not constitute or be treated as property or as a trust fund of any kind. All amounts at any time attributable to the Restricted Stock Units shall be and remain the sole property of the Corporation and all holders' rights thereunder are limited to the rights to receive Shares as provided in the Plan and the applicable Grant Agreement.

Section 5.4 Other Share-Based Awards; Performance Vesting

The Board may grant such Other Awards payable in Shares as the Board may determine to be necessary or appropriate, including awards of Shares that are not subject to vesting or forfeiture restrictions. The vesting of Other Awards hereunder may be made subject to the attainment of performance goals, as the Board may determine in its discretion.

APPENDIX 1

US RESIDENT EMPLOYEES

The terms of the Plan are hereby modified with respect to those Participants who are U.S. Participants:

SPECIAL APPENDIX
to the
Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan

Special Provisions Applicable to Participants Subject to
the United States Internal Revenue Code

This Appendix sets forth special provisions of the Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan (the "**Plan**") that apply to U.S. Participants. All Options issued under the Plan to U.S. Participants are intended to be exempt from Section 409A of the Code, or any successor thereto, and all provisions hereunder shall be read, interpreted, and applied with that purpose in mind. Terms used herein that are defined in the Plan shall have the meanings set forth in the Plan, as amended from time to time.

1. Interpretation

(a) For the purposes of this Appendix, the following terms have the following meanings:

(i) "**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder;

(ii) "**Incentive Stock Option**" means any Option that qualifies as an incentive stock option within the meaning of Section 422 of the Code or any successor thereto and which also satisfies the requirements of such section (including, without limitation, the requirement that the Participant is employed by the Corporation or a "parent corporation" or "subsidiary corporation" of the Corporation (as such terms are defined in Section 424 of the Code));

(iii) "**Non-Qualified Option**" means any Option granted under the Plan to a U.S. Participant which is not an Incentive Stock Option;

(iv) "**Option**" means an option to purchase a Share that is granted to an Eligible Person pursuant to the terms of this Plan, provided that all Options granted under the Plan and this Appendix will be Non-Qualified Options.

(v) "**Separation From Service**" shall have the meaning as set forth in United States Treasury Regulation Section 1.409A-1(h) (after giving effect to the presumptions contained therein); and

(vi) "**U.S. Participant**" shall have the meaning set forth in Section 2(a), below.

(b) The Plan and this Appendix are complementary to each other and shall, with respect to Options granted to U.S. Participants, be read and deemed as one. In the event of any contradiction, whether explicit or implied, between the provisions of this Appendix and the Plan, the provisions of this Appendix shall prevail with respect to Options granted to U.S. Participants. All Options granted under the Plan and this Appendix will be Non-Qualified Options.

2. Application

(a) The following special rules and limitations are applicable to Options issued under the Plan to Participants subject to taxation in the United States (referred to hereunder as "**U.S. Participants**") at the time of grant.

(b) Each U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with the Plan (including any taxes and penalties under Section 409A), and neither the Corporation nor any Affiliate of the Corporation shall have any obligation to pay, indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

(c) The Corporation and its Affiliates, if applicable, shall withhold taxes according to the requirements of applicable laws, rules and regulations, including the withholding of taxes at source to satisfy any applicable U.S. and non-U.S. federal, provincial, state or local tax withholding obligation and employment taxes.

(d) Each recipient of an Option hereunder who is or who becomes a U.S. Participant is advised to consult with his or her personal tax advisor with respect to the tax consequences under federal, state, local and other tax laws of the receipt and/or exercise of an Option hereunder.

(e) Without derogating from the powers and authorities of the Board detailed in the Plan, and unless specifically required under applicable law, the Board shall also have the sole and full discretion and authority to administer the provisions of this Appendix and all actions related thereto including, in addition to any powers and authorities specified in the Plan, the performance, from time to time and at any time, of adopting standard forms of Grant Agreements to be applied with respect to U.S. Participants, incorporating and reflecting, inter alia, relevant provisions regarding the grant of Options in accordance with this Appendix and amending or modifying the terms of such standard forms from time to time.

3. Exercise Price

The Exercise Price of each Option granted under the Plan to a U.S. Participant shall not be less than the Fair Market Value of a Share on the date such Option is granted. Notwithstanding any other provision of the Plan, in determining the Fair Market Value of a Share under the Plan in connection with the grant of an Option to a U.S. Participant, the Board will make the determination of Fair Market Value in good faith consistent with the rules of Section 409A of the Code and the rules of the Nasdaq, to the extent applicable.

4. Expiry of Option

Notwithstanding any other provision of the Plan and any provisions of the Grant Agreement to the contrary, Options granted to U.S. Participants may not be exercised under any circumstance following the ten (10) year anniversary of the date of grant.

5. Adjustments to Options

In the event of a corporate transaction requiring the adjustment of an Option held by a U.S. Participant, the number of Shares deliverable on the exercise of an Option held by a U.S. Participant and the Exercise Price of an Option held by a U.S. Participant shall be adjusted in a manner intended to keep the Options exempt from Section 409A of the Code.

6. Amendment of Appendix

The Board shall retain the power and authority to amend or modify this Appendix and any Option issued hereunder to the extent the Board in its sole discretion deems necessary or advisable to comply with law or regulation, including to comply with any guidance issued under Section 409A of the Code. Such amendments may be made without the approval of any U.S. Participant.

SCHEDULE "A"

ZYMEWORKS INC. STOCK OPTION GRANT AGREEMENT

This agreement (the "Grant Agreement") evidences the Options granted by Zymeworks Inc. (the "Corporation") to the undersigned (the "Participant"), pursuant to and subject to the terms of the Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan (the "Plan"), which is incorporated herein by reference. The Schedules attached to this Stock Option Grant Agreement shall form an integral part of this Stock Option Grant Agreement.

The Corporation hereby grants to the Participant on the Date of Grant such number of Options as set forth in the attached Schedule "A", as may be amended from time to time, with each Option representing the right to purchase, on the terms provided herein and in the Plan (including, without limitations, the applicable exercise provisions), a Share with an Exercise Price per Share as set forth in the attached Schedule "A", as may be amended from time to time, in each case subject to adjustment in accordance with the provisions of the Plan.

ARTICLE 1
INTERPRETATION

(a) Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

(b) Words importing the singular shall include the plural and vice versa and words importing any gender include any other gender.

(c) Unless otherwise specified herein, all references to money amounts are to U.S. dollars.

(d) The words "including" and "includes" mean "including (or includes) without limitation".

ARTICLE 2
VESTING

Section 2.1 Options

Unless earlier terminated, relinquished or expired, Options granted pursuant to this Grant Agreement shall vest in accordance with the provisions set forth in the attached Schedule "A" as may be amended from time to time.

ARTICLE 3
GENERAL PROVISIONS

Section 3.1 Participation in the Plan

No Participant has any claim or right to be granted an Option (including, without limitation, an Option granted in substitution for any Option that has expired pursuant to the terms of this Plan), and the granting of any Option is not to be construed as giving a Participant a right to continued employment or to remain an employee of the Corporation or an Affiliate of the

Corporation. Nothing contained in this Grant Agreement or the Plan shall interfere in any way with the rights of the Corporation or an Affiliate of the Corporation in connection with the employment or termination of any such person. Upon any such termination, a Participant's rights to exercise Options will be subject to restrictions and time limits for the exercise of Options. Complete details of such restrictions are set out in the Plan, and in particular in Article 4 thereof (except to the extent that such provisions are varied in accordance with Schedule "A" hereto). The Participant hereby agrees that any rule, regulation or determination, including the interpretation by the Board of the Plan, the Option granted hereunder and the exercise thereof, is final and conclusive for all purposes and binding on all persons including the Corporation and the Participant.

Section 3.2 Binding Agreement

The exercise of the Options granted hereby, issuance of Shares and ownership of the Shares are subject to the terms and conditions of the Plan (all of which are incorporated into and form part of this Grant Agreement) and this Grant Agreement. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors (including any successor by reason of amalgamation of any party) and permitted assigns.

Section 3.3 Governing Law

This Grant Agreement shall be governed by the laws of the State of Delaware and the federal laws of the United States, in each case, without giving effect to the principles of conflicts of law thereof.

[*The remainder of this page is intentionally left blank*]

By acceptance of these Options, the undersigned acknowledges receipt of the Plan text and agrees hereby to be subject and bound to the terms of the Plan. The undersigned further acknowledges and agrees that the Participant's abovementioned participation is voluntary and has not been induced by expectation of engagement, appointment, employment, continued engagement or continued employment, as the case may be.

Accepted and agreed to this ___ day of _____, _____.

Corporation: ZYMEWORKS INC.

By:

Name:

Title:

Participant:

Signature of Option Holder

Name of Option Holder (Please Print)

Address:

EXHIBIT "A" OPTION GRANT

Participant:	[☐]
Number of Options	[☐]
Exercise Price:	[☐]
Date of Grant:	[☐]
Vesting Schedule	[☐]
Expiry Date[1]	[☐]

[1] Include here any provisions with respect to the expiry of vested/unvested options that would depart from Section 4.3 of the Plan (i.e., the impact of certain events on the vesting/exercise period, including termination for cause, voluntary resignation, termination other than for cause, termination upon a change of control, and retirement, death or disability).

EXHIBIT "B" ELECTION TO EXERCISE STOCK OPTIONS

TO: ZYMEWORKS INC. (the "Corporation")

The undersigned option holder hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to a Grant Agreement dated _____, 20____ under the Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan (the "Plan"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired:

Option Exercise Price (per Share): $

Aggregate Purchase Price: $

Amount enclosed that is payable on account of any Source Deductions relating to this Option exercise (contact the Corporation for details of such amount):

☐ Or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, all Source Deductions, and directs such Shares to be registered in the name of

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ___ day of _____, _____

_____

Signature of Option Holder

_____

Name of Option Holder (Please Print)

EXHIBIT "C" SURRENDER NOTICE

TO: ZYMEWORKS INC. (the "Corporation")

The undersigned option holder hereby elects to transfer, dispose and surrender Options granted by the Corporation to the undersigned pursuant to a Grant Agreement dated _____, 20_ under the Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan (the "Plan") to the Corporation in exchange for Shares as calculated in accordance with Section 4.1(c) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Please issue a certificate or certificates representing the Shares in the name of: _____

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ___ day of _____, _____.

_____

Signature of Option Holder

_____

Name of Option Holder (Please Print)

Type of Option[2] Non-Qualified Option

[2] Add for U.S. Participants

SCHEDULE "B"

ZYMEWORKS INC. RESTRICTED STOCK UNIT GRANT AGREEMENT

This agreement (the "Grant Agreement") evidences the Restricted Stock Units granted by Zymeworks Inc. (the "Corporation") to the undersigned (the "Participant"), pursuant to and subject to the terms of the Zymeworks Inc. Inducement Stock Option and Equity Compensation Plan (the "Plan"), which is incorporated herein by reference. Exhibit "A" attached to this Restricted Stock Unit Grant Agreement shall form an integral part of this Restricted Stock Unit Agreement.

The Corporation hereby grants to the Participant on the Date of Grant such number of Restricted Stock Units as set forth in the attached Exhibit "A", as may be amended from time to time, with each Restricted Stock Unit representing the right to receive, on the terms provided herein and in the Plan, a Share as set forth in the attached Exhibit "A", as may be amended from time to time, in each case subject to adjustment in accordance with the provisions of the Plan.

ARTICLE 1
INTERPRETATION

(e) Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

(f) Words importing the singular shall include the plural and vice versa and words importing any gender include any other gender.

ARTICLE 2
VESTING

Section 2.1 Restricted Stock Units

Unless earlier terminated, relinquished or expired, Restricted Stock Units granted pursuant to this Grant Agreement shall vest in accordance with the provisions set forth in the attached Schedule "A" as may be amended from time to time.

ARTICLE 3
GENERAL PROVISIONS

Section 3.1 Participation in the Plan

No Participant has any claim or right to be granted a Restricted Stock Unit, and the granting of any Restricted Stock Unit is not to be construed as giving a Participant a right to continued employment or to remain an employee of the Corporation or an Affiliate of the Corporation. Nothing contained in this Grant Agreement or the Plan shall interfere in any way with the rights of the Corporation or an Affiliate of the Corporation in connection with the employment or termination of any such person. Upon any such termination, a Participant's rights with respect to unvested Restricted Stock Units shall be terminated, unless otherwise determined by the Board. The Participant hereby agrees that any rule, regulation or determination, including the interpretation by the Board of the Plan, the Restricted Stock Units granted hereunder and the exercise thereof, is final and conclusive for all purposes and binding on all persons including the Corporation and the Participant.

Section 3.2 Issuance; Binding Agreement

Any issuance of Shares and ownership of the Shares are subject to the terms and conditions of the Plan (all of which are incorporated into and form part of this Grant Agreement) and this Grant Agreement. The Participant's record of Share ownership shall be recorded in the books of the Corporation only when the Restricted Stock Units vest and the Shares are issued. Shares shall be delivered to the Participant as soon as practicable following the applicable vest date, subject to the Participant's employment or service on such date. This Grant Agreement shall inure to the benefit of and be binding upon the parties and their respective successors (including any successor by reason of amalgamation of any party) and permitted assigns.

Section 3.3 Miscellaneous

(g) The Participant hereby acknowledges and agrees that any sums required to satisfy the U.S. and non-U.S. federal, state, provincial and local tax withholding obligations of the Corporation that arise in connection with the Award or the transactions contemplated by this Grant Agreement (the "Tax Obligations") are the sole responsibility of the Participant. By accepting this Grant Agreement, the Participant hereby agrees that, until and unless the Board determines otherwise, Shares held by the Participant shall be sold on Participant's behalf in such amounts and at such times as is determined in accordance with this Section 3.3(a), and to allow the Agent (as defined below) to remit the cash proceeds of such sales to the Corporation as more specifically set forth below, as the method by which Participant shall satisfy the Tax Obligations (the "Sell-to-Cover Arrangement"). The Participant further acknowledges and agrees to the following provisions:

(i) The Participant hereby irrevocably appoints the Corporation's designated broker Solium Capital Inc., or such other broker as the Corporation may select, as the Participant's agent (the "Agent"), and authorizes and directs the Agent to implement the Sell-to-Cover Arrangement while in effect, including but not limited to:

1. Sell on the open market at the then-prevailing market price(s), on the Participant's behalf, as soon as practicable on or after the delivery of Shares underlying the Restricted Stock Units, the number (rounded up to the next whole number) of Shares sufficient to generate proceeds to cover (A) the satisfaction of the Tax Obligations arising from the settlement of the associated vested Restricted Stock Units and (B) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto;

2. Remit directly to the Corporation the proceeds necessary to satisfy the Tax Obligations arising from the settlement of the associated vested Restricted Stock Units

3. Retain the amount required to cover all applicable fees and commissions due to, or required to be collected by, the Agent, relating directly to the sale; and

4. Deposit any remaining funds in the Participant's account.

(ii) The Participant acknowledges that by accepting this Award, he or she is agreeing to the Sell-to-Cover Arrangement as the method through which the Participant shall satisfy the Tax Obligations. The Participant authorizes the Corporation and the Agent to cooperate and communicate with one another to determine the number of Shares that must be sold pursuant to this Section 3.3(a) to satisfy the Tax Obligations.

(iii) The Participant acknowledges that the Agent is under no obligation to arrange for the sale of Shares at any particular price under the Sell-to-Cover Arrangement and that the Agent may effect sales under the Sell-to-Cover Arrangement in one or more orders and that the average price for executions resulting from bunched orders may be assigned to the Participant's account. In addition, the Participant acknowledges that it may not always be possible to sell Shares under the Sell-to-Cover Arrangement and in the event of the Agent's inability to sell Shares, the Participant will continue to be responsible for the Tax Obligations.

(iv) The Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of the Sell-to-Cover Arrangement. The Agent is a third-party beneficiary of this Section 3.3(a).

(v) The Participant's agreement to the Sell-to-Cover Arrangement is irrevocable.

(vi) The Participant further represents that:

1. The Participant is agreeing to the Sell-to-Cover Arrangement in good faith and not as part of a plan or scheme to evade any law, including, without limitation, any securities laws; and

2. The Participant will not disclose to the Agent any information concerning the Corporation that might influence the Agent's execution of sales under the Sell-to-Cover Arrangement.

(vii) If the Administrator determines that Participant cannot satisfy Participant's Tax Obligation through the Sell-to-Cover Arrangement or the Board otherwise determines it is in the best interests of the Corporation for Participant to satisfy Participant's Tax Obligation by a method other than through the Sell-to-Cover Arrangement, it may permit or require Participant to satisfy Participant's Tax Obligation, in whole or in part (without limitation), if permissible by applicable local law, by (i) paying cash, (ii) electing to have the Corporation withhold otherwise deliverable Shares having a value equal to the minimum amount statutorily required to be withheld (or such greater amount as Participant may elect

if permitted by the Board, if such greater amount would not result in adverse financial accounting consequences), (iii) withholding the amount of such Tax Obligation from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Affiliate employing or engaging the Participant, (iv) delivering to the Corporation Shares that Participant owns and that have vested with a fair market value equal to the amount required to be withheld (or such greater amount as Participant may elect if permitted by the Board, if such greater amount would not result in adverse financial accounting consequences), or (v) such other means as the Board deems appropriate. To the extent determined appropriate by the Corporation in its discretion, it will have the right (but not the obligation) to satisfy any Tax Obligations by reducing the number of Shares otherwise deliverable to Participant.

(h) To the extent that the Corporation declares a cash dividend while all or a portion of the Restricted Stock Units are unvested, the Participant shall be credited with dividend equivalent rights (as determined by the Board in its discretion) with respect to each Share subject to the unvested portion of the Restricted Stock Units. Such dividend equivalent right will entitle the Participant to payment of such dividend only upon vesting of the corresponding portion of the Restricted Stock Unit; and such right will be forfeited to the extent the corresponding portion of the Restricted Stock Unit is forfeited.

(i) No purported sale, assignment, mortgage, hypothecation, transfer, pledge, encumbrance, gift, transfer in trust (voting or other) or other disposition of, or creation of a security interest in or lien on, any of the Restricted Stock Units by any holder thereof shall be valid (other than pursuant to the laws of descent and distribution).

(j) This Grant Agreement, together with the Plan, constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Grant Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Grant Agreement provided, however, in any event, this Grant Agreement shall be subject to and governed by the Plan.

(k) The award of Restricted Stock Units evidenced by this Grant Agreement to any Participant who is a United States taxpayer is intended to be exempt from the nonqualified deferred compensation rules of Section 409A of the Code as a "short term deferral" (as that term is used in the final regulations and other guidance issued under Section 409A of the Code, including Treasury Regulation Section 1.409A-1(b)(4)(i)), and shall be construed and administered accordingly.

(l) This Grant Agreement shall be governed by the laws of the State of Delaware and the federal laws of the United States, in each case, without giving effect to the principles of conflicts of law thereof.

[*The remainder of this page is intentionally left blank*]

By acceptance of these Restricted Stock Units, the undersigned acknowledges receipt of the Plan text and agrees hereby to be subject and bound to the terms of the Plan. The undersigned further acknowledges and agrees that the Participant's abovementioned participation is voluntary and has not been induced by expectation of engagement, appointment, employment, continued engagement or continued employment, as the case may be.

Accepted and agreed to this ____ day of _____, _____.

Corporation:

ZYMEWORKS INC.

By:

Name:

Title:

Participant:

Signature of Restricted Stock Unit Holder

Name of Restricted Stock Unit Holder (Please Print)

Address:

EXHIBIT "A" RESTRICTED STOCK UNIT GRANT

Participant:	[☐]
Number of Restricted Stock Units	[☐]
Date of Grant:	[☐]
Vesting Schedule	[☐] There shall be no proportionate or partial vesting between the foregoing vesting dates. All vesting shall be subject to the Participant's continued employment or service on the applicable vesting date.

Zymeworks Appoints Leone Patterson as Chief Business and Financial Officer

Vancouver, British Columbia (July 25, 2024) – Zymeworks Inc. (Nasdaq: ZYME), a clinical-stage biotechnology company developing a diverse pipeline of novel, multifunctional biotherapeutics to improve the standard of care for difficult-to-treat diseases, today announced the appointment of Leone Patterson as Executive Vice President, and Chief Business and Financial Officer, effective September 1, 2024.

"After an extensive search, we are delighted to have Leone Patterson join us at this exciting time as we plan for our next stage of growth and development at Zymeworks," said Kenneth Galbraith, Chair and CEO of Zymeworks. "She brings more than 20 years of public company biotech experience with a proven track record of guiding strategy, finance, operations, and governance through multiple phases of growth, planning and executing successful financial strategies. Ms. Patterson has the financial leadership qualities to support Zymeworks as we continue to make progress in achieving our '5 by 5' goal of having five novel antibody-drug conjugates or novel T cell engagers in clinical studies by 2026, and progress product candidates from our ADVANCE R&D programs into clinical studies by 2027 and beyond."

"I am very pleased to be joining Zymeworks as the Company plans for many important milestones in the months and years ahead. I look forward to working collaboratively with the experienced leadership team in maximizing the value of the rapidly expanding pipeline and addressing many critical areas of unmet medical needs for patients with difficult-to-treat cancers and other serious diseases," said Ms. Patterson.

Prior to joining Zymeworks, Ms. Patterson served as Chief Financial and Business Officer at Tenaya Therapeutics where she led corporate finance, investor relations, corporate communications, strategy and business development teams as well as other operational functions. She previously held leadership positions at Adverum Biotechnologies including Chief Financial Officer, President, Chief Executive Officer and Director. She also has held senior finance positions at Diadexus, Transcept, Exelixis, Novartis, and Chiron. Earlier in her career she worked in the audit practice of KPMG.

Ms. Patterson currently serves on the board of directors of Nkarta, Inc. and Oxford Biomedica, both publicly-held companies. She earned a B.S. in business administration and accounting from Chapman University and an executive MBA from St. Mary's College. Ms. Patterson is also a Certified Public Accountant (inactive status).

Ms. Patterson's appointment builds on the Company's continued focus on strengthening its leadership in the biopharmaceutical industry and expanding its pipeline of pharmaceutical candidates with the potential to make a significant difference in the lives of patients around the world with difficult-to-treat cancers and

other diseases. She will be responsible for assisting with the development of Zymeworks' long-term financial strategy, providing leadership surrounding financing and capital strategies and supporting strategic business decisions. She will be based in the new Zymeworks' location in Redwood City, California.

About Zymeworks Inc.

Zymeworks is a global clinical-stage biotechnology company committed to the discovery, development, and commercialization of novel, multifunctional biotherapeutics. Zymeworks' mission is to make a meaningful difference in the lives of people impacted by difficult-to-treat cancers and other diseases. The Company's complementary therapeutic platforms and fully integrated drug development engine provide the flexibility and compatibility to precisely engineer and develop highly differentiated antibody-based therapeutic candidates. Zymeworks engineered and developed zanidatamab, a HER2-targeted bispecific antibody using the Company's proprietary Azymetric™ technology. Zymeworks has entered into separate agreements with BeiGene, Ltd. (BeiGene) and Jazz Pharmaceuticals Ireland Limited (Jazz), granting each exclusive rights to develop and commercialize zanidatamab in different territories. Zanidatamab is currently being evaluated in multiple global clinical trials as a potential best-in-class treatment for patients with HER2-expressing cancers. A Biologics License Application (BLA) to the U.S. Food and Drug Administration (FDA) seeking accelerated approval for zanidatamab as a treatment for previously-treated, unresectable, locally advanced, or metastatic HER2-positive biliary tract cancer (BTC) has been accepted and granted Priority Review. A BLA has also been accepted for review by the Center for Drug Evaluation (CDE) of the National Medical Products Administration (NMPA) in China. If approved, zanidatamab would be the first HER2-targeted treatment specifically approved for BTC in the U.S. and China. Zymeworks is rapidly advancing a deep pipeline of product candidates based on its experience and capabilities in both antibody-drug conjugates and multispecific antibody therapeutics across multiple novel targets in indications that represent areas of significant unmet medical need. In addition to Zymeworks' wholly owned pipeline, its therapeutic platforms have been further leveraged through strategic partnerships with global biopharmaceutical companies. For information about Zymeworks, visit www.zymeworks.com and follow @ZymeworksInc on X.

Cautionary Note Regarding Forward-Looking Statements

This press release includes "forward-looking statements" or information within the meaning of the applicable securities legislation, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this press release include, but are not limited to, statements that relate to Ms. Patterson's anticipated appointment date; Ms. Patterson's expected contributions to Zymeworks' strategic goals; potential therapeutic effects and commercial potential of zanidatamab and Zymeworks' other product candidates; Zymeworks' clinical development of its product candidates and enrollment in its clinical trials; the ability to advance product candidates into later stages of development; and other information that is not historical information. When used herein, words such as "plan", "believe", "expect", "may", "continue", "anticipate", "potential", "will", "progress", and similar expressions are intended to identify forward-looking statements. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking. All forward-looking statements are based

upon Zymeworks' current expectations and various assumptions. Zymeworks believes there is a reasonable basis for its expectations and beliefs, but they are inherently uncertain. Zymeworks may not realize its expectations, and its beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements as a result of various factors, including, without limitation: clinical trials may not demonstrate safety and efficacy of any of Zymeworks' or its collaborators' product candidates; any of Zymeworks' or its partners' product candidates may fail in development, may not receive required regulatory approvals, or may be delayed to a point where they are not commercially viable; regulatory agencies may impose additional requirements or delay the initiation of clinical trials; the impact of new or changing laws and regulations; market conditions; and the factors described under "Risk Factors" in Zymeworks' quarterly and annual reports filed with the Securities and Exchange Commission (copies of which may be obtained at www.sec.gov and www.sedar.com). Although Zymeworks believes that such forward-looking statements are reasonable, there can be no assurance they will prove to be correct. Investors should not place undue reliance on forward-looking statements. The above assumptions, risks and uncertainties are not exhaustive. Forward-looking statements are made as of the date hereof and, except as may be required by law, Zymeworks undertakes no obligation to update, republish, or revise any forward-looking statements to reflect new information, future events or circumstances, or to reflect the occurrences of unanticipated events.

Contacts:

Investor Inquiries:

Shrinal Inamdar
Director, Investor Relations
(604) 678-1388
ir@zymeworks.com

Media Inquiries:

Diana Papove
Senior Director, Corporate Communications
(604) 678-1388
media@zymeworks.com