

**NEXTCURE, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

*Effective May 13, 2019*

The Board of Directors (the “Board”) of NextCure, Inc. (the “Company”) has adopted these Corporate Governance Guidelines (these “Guidelines”) to assist the Board in carrying out its oversight responsibilities and to serve the best interests of the Company and its stockholders. The Guidelines should be applied in a manner consistent with applicable legal, regulatory and ethical requirements for effective corporate governance and in accordance with the rules of The Nasdaq Capital Stock Market LLC (“Nasdaq”), the Company’s Third Amended and Restated Certificate of Incorporation (the “Certificate of Incorporation”), the Company’s Third Amended and Restated Bylaws (the “Bylaws”) and the charters of the Committees of the Board (each, a “Committee,” and collectively, the “Committees”), each as may be amended or restated from time to time. These Guidelines are intended to serve a flexible framework for the conduct of the Board’s business and not as a set of legally binding obligations. These Guidelines are subject to modification from time-to-time by the Board.

**I. ROLE OF THE BOARD OF DIRECTORS**

**A. Fiduciary Duties of the Directors**

The members of the Board are elected by the stockholders of the Company to oversee, and provide strategic guidance to, senior management of the Company. As a director, each Board member stands in a fiduciary relationship to the Company and its stockholders. As such, each director is required to perform his or her duties in good faith, in a manner he or she reasonably believes to be in the best interests of the Company and its stockholders and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

**B. Primary Responsibilities of the Board**

The business and affairs of the Company are managed by or under the direction of the Board, acting on behalf of the stockholders. The Board has delegated to the officers of the Company the authority and responsibility for managing the Company’s day-to-day affairs. The Board has an oversight role and is not expected to perform or duplicate the tasks of the President and Chief Executive Officer (the “CEO”) or senior management. The Board may delegate its responsibilities to the Committees of the Board.

**C. Reliance on Management and Advisors**

The members of the Board are entitled to rely in good faith upon the information, opinions, reports or statements presented by the Company’s senior executives and any outside advisors, auditors and legal counsel selected by the members with reasonable care, except to the extent that any such person’s integrity, honesty or competence is in doubt.

## **D. Legal and Ethical Conduct**

The Board is committed to legal and ethical conduct in fulfilling its responsibilities. The Board expects all directors, officers and employees of the Company to adhere to the Company's Code of Business Conduct and Ethics.

## **II. BOARD COMPOSITION AND SELECTION**

### **A. Size and Classes of Board**

The number of directors shall be established by the Board in accordance with the Certificate of Incorporation. The Certificate of Incorporation and the Bylaws provide for the annual election of a class of directors, with the directors classified into three classes of directors as nearly equal in number as possible serving for staggered three-year terms. The Board, on the recommendation of its Nominating and Corporate Governance Committee, shall evaluate and determine the appropriate size, classification and composition of the Board.

### **B. Independence of Directors**

It is the Company's policy that the Board be composed of not less than a majority of independent directors; *provided, however*, that the Company may avail itself of any phase-in periods and other exemptions permitted under applicable rules, regulations and standards. The Company defines an "independent director" as a director who satisfies the independence criteria established by applicable laws, regulations and Nasdaq listing requirements. The Board expects directors to disclose any relationship that might call their independence into question. The Board shall review and determine annually the independence of all non-management directors, including an evaluation of all relationships between the Company and each director for the purposes of determining whether a material relationship exists that could interfere with such director's ability to satisfy his or her responsibilities as an independent director. In addition, Committee members will be evaluated for compliance with any additional Nasdaq or Securities and Exchange Commission ("SEC") independence requirements applicable to members of each Committee and the Board may adopt more stringent requirements to determine the independence of directors serving on various Committees of the Board.

### **C. Leadership Structure**

The Board should remain free to configure leadership of the Board and the Company in the way that best serves the Company's interests at the time and, accordingly, has no fixed policy with respect to combining or separating the offices of the Chair of the Board (the "Chair") and CEO. In the event that the Chair is not independent, the Board may, but is not required to, appoint a Lead Independent Director, who shall be selected by a majority of the independent directors and who shall preside over executive sessions of the Board.

### **D. Board Membership Criteria and Selection**

1. Recommendations for Director Nominees

The Board is responsible for nominating individuals for election to the Board, including those individuals who have been nominated by the Company's stockholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of stockholders. The Board has delegated to its Nominating and Corporate Governance Committee the responsibility to make director recommendations to the full Board.

## 2. Criteria for Director Nominees

The Board strives in its membership profile to have a diversity of backgrounds and expertise that enhances the ability of the directors collectively to understand the issues facing the Company and to fulfill the Board's and Committees' responsibilities. The Board and Nominating and Corporate Governance Committee will periodically review the experience and qualifications appropriate for Board members and director candidates in light of the Board's composition at the time, and the skills and expertise needed for the effective operation of the Board and its committees. It is the policy of the Board that the Board reflects the following characteristics:

- Each director must at all times exhibit high standards of integrity, commitment and independence of thought and judgment.
- The Board as a whole will contain a range of talent, skill and expertise sufficient to provide sound and prudent guidance with respect to all of the Company's operations and interests, which may include experience at senior levels of public companies, leadership positions in the life sciences, healthcare or public health fields, science or technology backgrounds and financial expertise.
- Each director should exhibit confidence and a willingness to express ideas and engage in constructive discussion with other Board members, Company management and all relevant persons.
- Each director should be willing and able to devote sufficient time, energy and attention to the affairs of the Company.
- Each director should actively participate in the decision making process, be willing to make difficult decisions in the best interest of the Company and its stockholders and demonstrate diligence and faithfulness in attending Board and Committee meetings.
- Each director should be free of any conflict of interest that would impair the director's ability to fulfill the responsibilities of a member of the Board.

## **E. Other Directorships**

The Company recommends that all directors limit the number of other public company boards on which he or she serves so that he or she is able to devote adequate time to his or her duties to the Company, including preparing for and attending meetings. No director shall serve on more than four public company boards of directors (including the Company's Board), and the

CEO, if a member of the Board, shall serve on no more than a total of three, without the Board's consent.

Directors shall advise the chairperson of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on any other company board, including public or private company directorships, and memberships on the governing boards of non-profit entities, advisory boards or similar bodies and governmental commissions. Whether such additional directorship would impair the director's ability to devote adequate time to the Company will be evaluated on a case by case basis.

Members of the Audit Committee may not simultaneously serve on the audit committee of more than three public companies, including the Company's, unless the Board has determined that such service would not impair the ability of the member to effectively serve on the Company's Audit Committee. The chairperson of the Audit Committee shall not serve as the chairperson of the audit committee of any other public company.

Service on boards and other organizations shall also comply with the Company's Code of Business Conduct and Ethics.

#### **F. Term Limits**

The Board does not limit the number of terms for which an individual may serve as a director. The Nominating and Corporate Governance Committee periodically reviews incumbent directors and the strengths and weaknesses of the Board as a whole. This review includes consideration of a director's length of service on the Board, his or her interest in continuing as a member of the Board and the specific experience, qualifications, attributes and skills the director brings to the Board in light of the Company's business and its needs at the time. In addition, the Nominating and Corporate Governance Committee shall review each director's continuation on the Board prior to expiration of the director's term.

#### **G. Change in Principal Position or Responsibility**

Any director who experiences a material change in his or her principal employment or professional position, or is placed in a position that may adversely affect his or her duties to the stockholders of the Company, or who experiences a change to his or her qualification as an independent director of the Company, if applicable, shall notify the chairperson of the Nominating and Corporate Governance Committee of such change and tender his or her resignation for consideration by the Board. The Nominating and Corporate Governance Committee shall recommend to the Board the action to be taken, if any, with respect to the resignation.

### **III. BOARD MEETINGS**

#### **A. Frequency of Board Meetings**

There shall be at least four regularly scheduled meetings of the Board held each year. Additional meetings, called in accordance with the Bylaws, shall be held as needed. The Chair, or the Lead Independent Director, if applicable, in consultation with the appropriate members of

senior management and other Board members, will determine the agenda and length of the meetings.

#### **B. Meeting Attendance**

Directors are expected to attend, either in person or by telephone or other remote communication, all or substantially all Board meetings and meetings of the Committees of the Board on which they serve. All directors are encouraged, but not required, to attend the annual meeting of stockholders.

#### **C. Preparation for Meetings**

Materials with respect to matters on which action is expected to be taken shall be circulated to the Board in advance of the meeting whenever possible. Financial reports, certain Board Committee minutes and other background materials shall also be circulated in advance of the meeting. Directors are expected to spend the time needed to review any materials prior to a meeting in order to uphold their fiduciary obligations to the Company and the stockholders when discharging their responsibilities. On those occasions where the subject matter is too sensitive to provide in writing, the materials will be discussed at the meeting without advance distribution. Where there is no prior distribution of materials on a sensitive subject, the Chair or Lead Independent Director may elect to contact each Director by telephone in advance of the meeting to discuss the subject and the principal issues the Board will need to consider.

#### **D. Management Involvement in Board Meetings**

At the invitation of the Board, members of senior management or employees recommended by the CEO shall attend Board meetings or portions thereof for the purpose of participating in discussions where such members of senior management or other employees can provide insight into the items being discussed. The Board encourages the directors and members of the Committees to bring Company management and outside advisors or consultants from time to time into Board and/or Committee meetings to (1) provide insight into items being discussed by the Board which involve the manager, advisor or consultant, (2) make presentations to the Board on matters which involve the manager, advisor or consultant and (3) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

#### **E. Executive Sessions of Independent Directors**

The independent directors shall meet in regular executive sessions to, among other matters, review the performance of the CEO. The Chair (if independent), or the Lead Independent Director, if applicable, or in the absence of a Lead Independent Director, the chairperson of the Nominating and Corporate Governance Committee, shall lead regularly scheduled meetings of independent directors following Board meetings to discuss matters as such independent directors consider appropriate. Executive sessions of the independent directors shall occur no less than twice per year.

### **IV. BOARD COMMITTEES**

**A. Number and Type of Committees; Independence of Members**

The Board currently has an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. Each such Board Committee has a written charter that has been approved by the Board. Each committee will comply with the independence and other requirements established by applicable law and regulations, including SEC and Nasdaq rules, within any required timeframes. The Board may from time to time, establish, maintain and disband additional Committees depending on internal needs and in compliance with the Bylaws and applicable laws, regulations and Nasdaq listing requirements.

**B. Assignment and Rotation of Committee Members**

The Nominating and Corporate Governance Committee shall be responsible, after consultation with the Chair of the Board or Lead Independent Director, as applicable, for making recommendations for the assignment of Board members to various committees. The Nominating and Corporate Governance Committee shall from time to time review the Committee assignments and shall consider the rotation of chairpersons and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors. Concurrent membership on more than one committee is also desirable where practicable.

**C. Committee Meetings**

The chairperson of each Committee, in consultation with the Committee members, will determine the frequency and length of the Committee meetings consistent with any requirements set forth in the Committee's charter. The chairperson, in consultation with management and Committee members, shall develop the Committee meeting agendas. Special meetings may be called from time to time as determined by the needs of the business and the responsibilities of the Committees.

**D. Committee Reports**

The chairperson of each Committee shall be responsible for reporting to the Board at the Board's next regularly scheduled meeting following a meeting of such chairperson's Committee.

**V. LEADERSHIP DEVELOPMENT**

**A. Annual Review of the Chief Executive Officer**

The Compensation Committee, with input from the CEO, shall annually establish the performance criteria (including both long-term and short-term goals) to be approved by the Board and considered in connection with the CEO's annual performance evaluation. At the end of each year, the CEO shall make a presentation or furnish a written report to the Board indicating his or her progress against such established performance criteria. Thereafter, with the CEO absent, the Compensation Committee shall meet to review the CEO's performance and determine the CEO's compensation for such year. The results of the review and evaluation shall be communicated to the CEO by the chairperson of the Compensation Committee.

## **B. Succession Planning**

The Board, with the assistance of the Nominating and Corporate Governance Committee, annually reviews and considers the Company's succession plan for the position of Chief Executive Officer and certain other senior managers. To assist the Board, the Chief Executive Officer annually provides the Board with an assessment of senior managers and their potential to succeed him or her. He or she also provides the Board with an assessment of persons considered potential successors to certain senior management positions, including a review of any development plans recommended for such individuals.

In addition, the Chief Executive Officer shall prepare, on a continuing basis, a short-term succession plan which delineates a temporary delegation of authority to certain officers of the Company, if all or a portion of the senior officers should unexpectedly become unable to perform their duties. The short-term succession plan shall be in effect until the Board has the opportunity to consider the situation and take action, when necessary. The Board reviews and updates, as necessary, both the short-term and long-term succession plans for the Chief Executive Officer and other senior management positions on an annual basis.

The Board also plans for its own succession to ensure the future leadership of the oversight of the Company. The Nominating and Corporate Governance Committee annually assesses issues surrounding Board succession, and takes those matters into account when recommending nominees for election to the Board at the next annual meeting of shareholders.

## **VI. OTHER MATTERS**

### **A. Risk Oversight, Assessment and Management**

The Board and the appropriate Committees shall consider and periodically discuss with management the Company's policies and procedures with respect to risk oversight, assessment and management.

### **B. Director Evaluations**

The Board shall undertake an annual evaluation to determine whether the Board and its Committees are functioning effectively and in compliance with these Guidelines. The Nominating and Corporate Governance Committee shall review the continuing independence of each Board member. All directors are encouraged to make suggestions at any time for the improvement of the Board's practices.

### **C. Director Compensation**

The Board believes that the level of director compensation should generally be competitive with that paid to directors of the Company's peer companies and that a significant component of such compensation should be tied to the performance of the Company. Accordingly, a significant portion of director compensation should be in the form of stock options and stock. The Compensation Committee shall periodically review the compensation of non-management directors. The Compensation Committee is encouraged to seek advice from a compensation consultant. After such review, the Compensation Committee will make

recommendations to the full Board, and the full Board will determine the non-management director compensation. The Company's employee directors shall not receive additional compensation for service as directors.

#### **D. Director Orientation and Continuing Professional Development**

Meetings of the Board shall be designed to provide orientation for new directors to assist them in understanding the Company's business as well as an introduction to the Company's senior management. Further, the Company encourages directors to participate in continuing education programs focused on the business, Company's industry and legal and ethical responsibilities of board members. Directors will receive reimbursement for the reasonable expenses of such participation upon advanced approval from the Company.

#### **E. Stock Ownership by Directors**

The Board believes ownership of the Company's stock by directors strengthens their commitment to the future of the Company. Accordingly, the Board has established Director and Officer Stock Ownership Guidelines.

#### **F. Independent Advisers**

The Board and its Committees shall have the authority to retain, at any time, independent or outside financial, legal or other advisers as the Board or its Committees may deem appropriate and as authorized by applicable laws, regulations and Nasdaq listing requirements. The Company will pay the reasonable fees and expenses of any such advisers.

#### **G. Interactions with Third Parties**

The Board recognizes that management speaks on behalf of the Company. Each director should refer all inquiries from investors, the press or customers to management. Individual Board members may, from time to time at the request of management, meet or otherwise communicate with various constituencies that are involved with the Company.

#### **H. Implementation and Amendment of Guidelines**

The Nominating and Corporate Governance Committee shall have primary responsibility for the implementation of these Guidelines. The Nominating and Corporate Governance Committee shall review these Guidelines no less than annually and make recommendations to the Board as to any updates as necessary. These Guidelines may only be amended by the affirmative vote of a majority of the Board.