

AERIE PHARMACEUTICALS, INC.
CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS
(Last Revised: September 12, 2019)

I. PURPOSE

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Aerie Pharmaceuticals, Inc. (the “Company”) for the purpose of carrying out the responsibilities delegated by the Board relating to the review and determination of compensation and benefits.

II. COMPOSITION AND APPOINTMENT

The Committee will be comprised of three or more directors, as determined from time to time by the Board. Each director who serves on the Committee must satisfy the independence requirements of the SEC and NASDAQ for compensation committee members, subject to the exemptions and exceptions provided by such requirements. In addition, each director who serves on the Committee must qualify as a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and as an “outside director” for purposes of Section 162(m) of the Internal Revenue Code.

The Committee shall endeavor, in making awards, (1) to have the compensation awarded deductible under Section 162(m) of the Internal Revenue Code and (2) to obtain the benefit of the exemption from Section 16 of the Exchange Act provided by Rule 16b-3 thereunder. The Committee may elect to have specific grants and awards awarded by a subcommittee of the Committee in order to assist in achieving these purposes.

The Nominating and Corporate Governance Committee of the Board shall recommend nominees for appointment to the Committee as vacancies or newly created positions occur. Members of the Committee shall be appointed by the Board and serve for such term or terms as the Board may determine. The Nominating and Corporate Governance Committee shall recommend, and the Board shall designate, one member of the Committee as chairperson of the Committee (the “Chairperson”). The Board may designate one or more directors as alternate members of the Committee, who may replace any absent or disqualified member at any meeting of the Committee. The members shall serve until their failure to qualify, resignation, or retirement, their removal by the Board or until their successors shall be duly appointed and qualified. A member of the Committee shall be deemed to have resigned from the Committee at

such time that the member shall no longer be a director of the Company. The Board may remove any member from the Committee at any time with or without cause.

III. PROCEDURE AND MEETINGS

The Committee will meet as required to fulfill its responsibilities set forth in this Charter or the Company's by-laws. The Chairperson or his or her designee shall set in advance of each meeting an agenda and preside over all meetings of the Committee. The Committee shall meet at least one time each year and at such other times as the Chairperson deems appropriate. A majority of the members of the Committee shall constitute a quorum. The vote of a majority of the members present at any meeting at which a quorum is present shall be the act of the Committee. The Committee may meet in person or telephonically. Any decision or determination of the Committee in writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.

The Committee may establish its own rules of procedure, which shall be consistent with the Company's by-laws and this Charter. The Chairperson or a majority of the members of the Committee may call a special meeting of the Committee. At the discretion of the Committee, other members of the Board and any officer or employee of the Company may be invited to attend and participate in meetings of the Committee but the Committee shall also meet regularly without such individuals present. The Committee shall have the authority to form, and delegate authority and responsibilities to, individuals or subcommittees when it deems appropriate. The Committee shall periodically review any such delegations and may revoke any such delegation at any time.

The Committee shall keep correct and complete minutes of its proceedings and will report regularly to the full Board with respect to its activities.

IV. RESPONSIBILITIES AND DUTIES

The Committee shall have the following authority and responsibilities:

A. Compensation and Benefits Strategy & Philosophy

1. Review the Company's philosophy, strategy, and objectives in the areas of compensation and benefits.
2. Select a peer group of companies each year against which to assess the Company's compensation and benefits programs and practices.
3. Annually review and consider the competitiveness of the Company's executive compensation.

B. Executive Compensation and Performance Evaluation

1. Review and approve on an annual basis the corporate goals and objectives relevant to the compensation of the Company's chief executive officer (the

“CEO”) and other Company officers, as defined in Rule 16a- 1(f) under the Exchange Act (the “Executive Officers”).

2. Conduct an annual evaluation of the CEO’s and other Executive Officers’ performance in light of those goals and objectives and approve (or in the case of the CEO recommend to the Board for approval), compensation based on this evaluation¹.
3. At the election of the Committee, evaluate and determine the compensation of officers and employees of the Company other than the CEO and the Executive Officers.

C. Compensation and Benefits Plans, Agreements, and Policies

1. Oversee the Company's stock-based and other executive incentive plans and make, or recommend to the Board, changes in such plans to the extent authorized by the Board and the plans. The Committee shall have all the authority of the Board with respect to the administration of such plans to the extent specified in such plans.
2. Approve the grant of awards under the Company's stock-based and executive incentive plans or, in accordance with the terms of such plans and as permitted under applicable law, to delegate such authority to the CEO for awards to persons other than Executive Officers of the Company.
3. Review on a periodic basis the operation of the Company’s existing stock-based and other executive incentive plans to determine whether they are properly structured.
4. Review and approve any new compensation programs that cover the CEO or Executive Officers.
5. Review and approve (or recommend for approval by the Board in the case of the CEO), the adoption, revision and/or termination of any employment, severance or other compensation agreements or arrangements with the CEO or any Executive Officer (and, at the option of the Committee, other officers and employees of the Company).
6. Provide oversight and supervision to management with regard to the Company’s benefit plans, arrangements or trusts.
7. Review and recommend for approval by the Board the adoption, revision, application and/or termination of the Company’s stock ownership guidelines, if

¹ The CEO cannot be present during any voting or deliberations by the Committee on his or her compensation. An Executive Officer cannot be present during any voting or deliberations by the Committee on his or her compensation. However, the Committee may, in its sole discretion, invite the CEO and/or the Company’s Chief Financial Officer to be present during any discussion of the compensation of any other Executive Officer.

any.

8. Review and recommend for approval by the Board the adoption, revision and/or termination of the Company's recoupment or "clawback" policy, if any, and serve as the administrator such policy in accordance with its terms.

D. Director Compensation

1. Conduct a review of compensation for non-employee directors at least annually and make recommendations to the Board concerning the compensation of non-employee directors.
2. Provide oversight and administration of any plans or programs related to compensation of non-employee directors.

E. Other Responsibilities

1. Review the Company's compensation arrangements to determine whether they encourage excessive risk-taking.
2. Review and approve any contracts or other transactions with former Executive Officers of the Company.
3. Review and assist with the development of plans for executive development and succession.
4. Oversee the Company's compliance with any applicable compensation reporting requirements of the SEC and review and discuss with management any related disclosure.
5. Review with management the results of the shareholder advisory votes on executive compensation and the frequency of such votes.
6. Regularly report material Committee actions and decisions to the Board
7. Perform any other activities consistent with this Charter, the Company's certificate of incorporation and by-laws, and applicable law, as the Committee or the Board deems necessary or appropriate.

V. RESOURCES

The Committee shall have direct access to, and complete and open communications with, management and may obtain advice and assistance from internal legal, accounting, and other advisors to assist it. The Committee shall have the authority, in its sole discretion, to select, retain and obtain advice from compensation consultants, outside counsel and other advisors as the Committee may deem necessary or appropriate. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of any such compensation consultant, counsel or other advisor, and the Committee's authority to retain

advisors shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties. The Committee shall have sole authority to approve related compensation and retention terms associated with the retention of any such firm or individual, which compensation shall be paid by the Company, and shall be directly responsible for the oversight of the work of any such firm or individual. The Committee shall have available appropriate funding from the Company, as determined by the Committee, for payment of any such compensation and all ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In determining whether to retain or terminate a provider of such services, the Committee may, in its discretion, obtain the input of management. The Committee may invite any compensation consultant, outside counsel or other advisor to its meetings as the Committee, in its discretion, deems appropriate to assist the Committee in carrying out its duties and responsibilities.

Before selecting or receiving advice from any compensation consultant, outside counsel or other advisor, the Committee shall conduct the independence assessment required by NASDAQ Rule 5605(d)(3), taking into consideration the factors specified in NASDAQ Rule 5605(d)(3)(D). The Committee may retain, or receive advice from, any advisors they prefer, including advisors that are not independent, after considering the specified factors. The Committee shall also evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest for purposes of Item 407(e)(3)(iv) of Regulation S-K. However, the Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by such advisor, and about which such advisor does not provide advice.

VI. RELIANCE ON OTHERS

Unless such Committee member has knowledge that makes reliance unwarranted, each Committee member, in discharging his or her duties to the Company, may rely on information, opinions, reports, or statements, any of which may be written or oral, formal or informal, including financial statements, valuation reports, and other financial data, if prepared or presented by: (a) one or more officers or employees of the Company whom the Committee member believes in his or her reasonable business judgment and good faith to be reliable and competent in the matters presented; (b) compensation consultants, legal counsel, or other persons as to matters which the Committee member believes in his or her reasonable business judgment and good faith to be within the professional or expert competence of such person; or (c) another committee of the Board of which such Committee member is not a member if the Committee member believes in his or her reasonable business judgment and good faith that such committee merits confidence.

VII. ANNUAL EVALUATION OF PERFORMANCE AND CHARTER

The Committee shall conduct an annual evaluation of its performance and shall report its conclusions regarding this evaluation to the Board. The Committee shall conduct this evaluation

in such manner as it deems appropriate.

The Committee shall review and reassess the adequacy of this Charter on an annual basis and recommend any proposed changes to the Board for approval. To the extent required by the rules of the SEC or NASDAQ, a copy of this Charter will be attached to the Company's annual proxy statement at least once every three years and/or included on the Company's website.

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