



**TREACE MEDICAL CONCEPTS, INC.**  
**COMPENSATION COMMITTEE CHARTER**

**I. Purpose**

The purpose of the Compensation Committee (the "*Committee*") of the Board of Directors (the "*Board*") of Treace Medical Concepts, Inc. (the "*Company*") is to oversee the discharge of the responsibilities of the Board relating to compensation of the Company's senior management and directors.

**II. Composition**

The Committee shall consist of at least two members. The members of the Committee shall be appointed by the Board upon the recommendation of the Nominating, Compliance and Governance Committee (the "*Nominating Committee*"). The members of the Committee shall meet the independence requirements of the rules of the Nasdaq Stock Market LLC ("*Nasdaq*"), except as otherwise permitted by applicable Nasdaq rules, and shall meet the definition of "non-employee directors" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), and definition of "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and shall satisfy any other necessary standards of independence under the federal securities and tax laws, unless otherwise determined by the Board upon the recommendation of the Nominating Committee.

Committee members may be removed from the Committee, with or without cause, by the Board. The Chair of the Committee shall be appointed by the Board upon recommendation of the Nominating Committee. Unless a Chair of the Committee is designated by the Board, the Committee may designate a Chair of the Committee by majority vote of the full Committee membership.

**III. Meetings, Procedures and Authority**

The Committee shall meet as often as it determines, but not less frequently than annually.

The Committee Chair or a majority of the Committee members may call meetings of the Committee at any time and for any reason. The notice of meeting need not include specified agenda items and must be provided to the Committee members at least 24 hours before any meeting. Meetings may be held using any form of communications equipment by means of which all persons participating in the meeting can hear each other. A majority of the Committee members constitutes a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at a meeting at which a quorum is present will be the act of the Committee, unless in either case a greater number is required by Delaware law or the Company's certificate of incorporation or bylaws. Additionally, the Committee may act by unanimous consent in writing or electronic transmission and such consent may be documented, signed and delivered in any manner permitted by Delaware law. Furthermore, the Committee has the authority to establish other rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee may, from time to time, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser to assist in the evaluation of executive compensation, benefits, or other compensation. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee. Before selecting, or receiving advice from, any compensation consultant, legal counsel or any other adviser, other than in-house legal counsel, the Committee shall consider the independence factors enumerated in Nasdaq Rule 5605(d)(3) as well as any other factors identified by the Securities and Exchange Commission ("*SEC*") or Nasdaq Stock Market from time to time.

In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purposes of the Committee, the Company's bylaws and applicable Nasdaq Rules, as well as other duties that the Board may from time to time prescribe.

The Committee may conduct or authorize investigations into any matters within the scope of the duties and responsibilities delegated to the Committee, including the authority to request any officer, employee or adviser of the Company to meet with the Committee or any advisers engaged by the Committee.

#### **IV. Duties and Responsibilities**

The Committee is responsible for making decisions with respect to the Company's executive compensation policies with the goal of assuring those policies are comparable and competitive within the Company's industry. In addition to the authority granted by the Board, the Committee shall review and approve corporate goals and objectives relevant to the compensation to be paid to the chief executive officer of the Company.

The Committee shall have the following specific responsibilities:

1. *General Responsibility.* The Committee shall have generalized supervisory responsibility for the compensation policies applicable to all employees of the Company, including periodic reviews of the adequacy of the Company's compensation structure, performance review procedures, employee turn-over and retention, succession plans and other human resource issues. The Committee shall receive periodic reports on the Company's compensation programs as they affect all employees.

2. *Director Compensation.* The Committee is responsible for recommending to the Board the manner of compensation for non-management directors. Compensation of non-management directors should fairly compensate directors for the work required for a company similar to the Company and align the interests of directors with the long-term interests of stockholders. The compensation structure for non-management directors should be simple and easy to understand. Management directors shall receive no additional compensation for their service as directors other than their compensation as employees of the Company or its affiliates.

3. *CEO and Senior Management Performance and Compensation.* The Committee shall review the performance of the chief executive officer of the Company on at least an annual basis.

The compensation of the other members of senior management shall also be reviewed by the Committee on an annual basis. Each year the Committee shall report to the Board on the performance and compensation of the chief executive officer as well as report on the compensation of senior management. The Committee will consider the recommendations of the chief executive officer about the performance and compensation of the other members of senior management. The Committee shall submit its recommendation for the compensation of the chief executive officer for approval by the independent directors of the Board. The chief executive officer may not be present during voting or any deliberations on his/her compensation. The Committee shall also submit its recommendation for the compensation of senior management other than the chief executive officer to the Board.

4. *Risk Oversight related to Compensation Policies and Practices.* The Committee shall review and approve, or recommend to the Board, the adoption of any policies necessary or advisable by the Committee in order to mitigate risks arising from compensation policies and practices, including policies providing for the recovery of incentive or equity-based compensation and limiting hedging activities related to Company stock.

5. *Employment and Severance Agreements.* The Committee shall review and recommend for the approval of the independent directors any employment and severance agreements and any special, supplemental benefits for the chief executive officer and other members of senior management.

6. *Annual Incentive Programs.* The Committee shall establish and administer annual incentive programs for the chief executive officer and other members of senior management.

7. *Equity Plan Administration and Recommendations.* The Committee shall administer the 2014 Stock Plan, as amended, the 2021 Equity Incentive Plan, the 2021 Employee Stock Purchase Plan, as well as any other stock option, stock purchase, incentive, or other benefit plans of the Company (collectively, the "*Plans*"), fulfilling such duties and responsibilities as are set forth in such plans. The Committee shall also review and recommend to the Board, or approve as appropriate, new executive compensation plans, incentive compensation plans, equity based plans, and any amendments/modifications to such plans.

8. *Equity and other Incentive Awards.* The Committee shall review and approve all grants of equity, cash or other incentive awards under the Plans and shall recommend to the Board all such grants to the chief executive officer and other members of senior management. The Committee hereby grants authority to the chief executive officer or other authorized officer, subject to the right of the Committee to withdraw or modify such authority at any time, to enter into award agreements for Awards reviewed and approved by the Committee under the 2021 Equity Incentive Plan.

9. *Compensation Philosophy.* The Committee shall review and approve the Company's compensation philosophy.

10. *Reports to Board.* The Committee shall make regular reports to the Board concerning activities of the Committee.

11. *Compensation Committee Report.* The Committee shall prepare, to the extent it is required, the Compensation Committee Report in accordance with all applicable rules and regulations of the SEC for inclusion in the Company's annual proxy statement.

12. *Say on Pay.* The Committee shall review and recommend for approval by the Board the Company's approach with respect to any required stockholder advisory vote on executive compensation (a "say-on-pay"). The Committee also shall review the results of say-on-pay resolutions and consider any implications.

13. *Compensation Discussion and Analysis.* To the extent that the Company is required to include a "Compensation Discussion and Analysis ("CD&A"), the Committee shall review and discuss with management the Company's CD&A that may be required to be included in the Company's annual proxy statement and annual report on Form 10-K by the rules and regulations of the SEC, and based on that review and discussion, recommend to the Board that the CD&A be so included.

14. *Review of Proxy Statement Description of the Committee's Processes and Procedures.* The Committee shall review the description of the Committee's processes and procedures for the consideration and determination of executive and director compensation to be included in the Company's annual proxy statement.

15. *Succession Planning.* The Committee shall review annually with management and the Board the succession plans for the CEO and all officers of the Company to ensure adequate levels of talent and development. This should lead to minimal disruption to the business in the event of a change in current leadership and ensure the timely development of staff within the business.

16. *Committee Self-Evaluation.* The Committee shall participate in an annual self-evaluation in cooperation and with the assistance of the Nominating Committee.

17. *Review of this Charter.* 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.

## **VI. Delegation of Duties**

In fulfilling its responsibilities, the Committee has the authority to delegate any or all of its responsibilities to a subcommittee of the Committee. To the extent permitted by applicable law and the applicable Plans, the Committee also may delegate to one or more executive officers of the Company the authority to grant and make determinations and administer the Plans with respect to, equity-based awards under each of the Plans to employees and consultants of the Company who are not officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) or directors of the Company.