

# ALKERMES plc

## Compensation Committee Charter

### A. PURPOSE AND SCOPE

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Alkermes plc (the “Company”) is to exercise the responsibilities and duties set forth below, including but not limited to (1) discharging the Board’s responsibilities relating to the compensation of the Company’s executives, (2) administering the Company’s incentive compensation and equity plans, (3) producing an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with applicable rules and regulations and (4) reviewing and discussing with the Company’s management the Company’s executive compensation disclosure (including the Company’s disclosure under “Compensation Discussion and Analysis”) included in reports and registration statements filed with the Securities and Exchange Commission (“SEC”). The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that are appropriate for the Company and which provide incentives that further the Company’s long-term strategic plan and are consistent with the culture of the Company and the overall goal of enhancing the Company’s performance. The Committee shall review and make recommendations to management on company-wide compensation programs and practices, take final action with respect to the individual salary, bonus and equity arrangements of the Company’s Chief Executive Officer (the “CEO”) and other executive officers, and recommend, subject to approval by the full Board, new equity-based plans and any material amendments thereto (including increases in the number of shares of Common Stock available for grant as options or otherwise thereunder) for which shareholder approval is required or desirable. The Committee shall also administer the Company’s Clawback policy.

The Company shall make this Charter available on its website at [www.Alkermes.com](http://www.Alkermes.com).

### B. COMMITTEE COMPOSITION AND PROCEDURE

The Committee shall have a minimum of two members. Each member of the Committee shall meet any and all independence requirements promulgated by the Securities and Exchange Commission, Rule 5605(a)(2) of the NASDAQ Stock Market Rules, any exchange upon which securities of the Company are traded, or any governmental or regulatory body exercising authority over the Company (each a “Regulatory Body” and collectively the “Regulatory Bodies”), and each member of the Committee shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. In affirmatively determining the independence of a director serving or nominated to serve as a Committee member, the Board will consider the source of compensation of such director, including but not limited to any consulting, advisory or other compensatory fee paid by the Company to such director and whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company .

In determining the members of the Compensation Committee, the Board will consider whether the members qualify as “non-employee directors” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and, to the extent the Board determines it is necessary or appropriate, as “outside directors” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (as in effect as of December 31, 2017).

Members of the Committee shall be elected by the Board following each annual meeting, and may be replaced or removed by the Board in its discretion. Each member of the Committee shall serve until his or her successor shall be duly appointed and qualified or until his or her earlier resignation or removal; provided that any resignation or removal of a director from the Board, for whatever reason, shall automatically and without any further action constitute resignation or removal, as applicable, from the Committee. Vacancies occurring for whatever reason, may be filled by the Board. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

The Committee shall meet as necessary but at least once per year. The Committee may invite members of management or others to attend Committee meetings and provide pertinent information as the Committee may request on the issues being considered, provided that the CEO may not be present during any voting or deliberations on compensation of the CEO. Meetings can be called by the Chair of the Committee or at the request of any member of the Committee or any member of the Board. At all Committee meetings, a majority of the then-current members of the Committee shall constitute a quorum for the transaction of business and the Committee may act by a vote of a majority of members present at such meeting.

The Committee shall keep written minutes of its meetings and record such minutes with the books and records of the Company. Minutes of each meeting will be made available to the members of the Board and the Secretary of the Company. In lieu of a meeting, the Committee may act by unanimous written consent.

### **C. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties the Committee shall:

1. Establish and review the Company’s overall management compensation philosophy and policy.
2. Review and approve corporate goals and objectives relevant to compensation of the CEO, evaluate the CEO’s performance in light of those goals and objectives and establish and approve the appropriate level of base compensation and all bonus and other incentive compensation for the CEO based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee should consider the Company’s performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company’s CEO in past years;
3. Evaluate the performance of the Company’s executive officers and establish and approve the appropriate level of base compensation and all bonus and other incentive compensation for

such officers. For purposes hereof the term “officer” has the meaning defined in Section 16 of the Exchange Act and Rule 16a 1 promulgated thereunder;

4. Review and approve, for the CEO and the other executive officers of the Company, (1) any employment agreements, severance arrangements, and change in control agreements or provisions, in each case, when and if appropriate, (2) any bonus and other cash incentive compensation plans applicable to such individuals, and (3) any special or supplemental benefits;
5. The Committee may in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other advisor. The Committee shall have direct responsibility for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee, and the Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any such compensation consultant, legal counsel or other adviser; provided that, before any compensation consultant, legal counsel or other adviser is selected by, or provides advice to, the Committee (other than in-house legal counsel or any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees or (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, legal counsel or other adviser and about which the compensation consultant, legal counsel or other adviser does not provide advice), the Committee shall take into consideration the following factors:
  - The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
  - The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
  - The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
  - Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Compensation Committee;
  - Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
  - Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

6. Review and approve any Company equity-based compensation plans and any material modifications to such plans to allow the Company to attract and retain talented personnel and align the pay of such personnel with the long-term interests of shareholders. Recommend and submit each equity-based compensation plan, and each material modification thereof, such as an increase in the number of shares available under such plan, to the Board for its approval and take such actions that may be necessary or advisable to implement and administer the Company's equity-based compensation plans, all in accordance with the terms of such plans. Review and approve equity grants.
7. Review the terms and conditions of all other Company compensation plans, including eligibility requirements applicable to participants in each such plan as may be required by the terms of a plan, as the Committee chairperson deems advisable.
8. Assess the risks arising from the Company's compensation policies and practices in light of requirements established by the SEC, the NASDAQ Stock Market Inc., any Regulatory Body or any other applicable statute, rule or regulation which the Committee deems relevant and make any determinations or take any actions deemed appropriate or necessary by the Committee as a result thereof.
9. Evaluate and recommend to the full Board the appropriate level of director compensation and take primary oversight responsibility for ensuring that any payments to directors other than in their capacity as directors are fully and properly disclosed;
10. Review and assess the adequacy of this Charter periodically as conditions dictate but at least annually to ensure compliance with any rules or regulations promulgated by any Regulatory Body and recommend any modifications to this Charter, if and when appropriate, to the Board for its approval;
11. Form and delegate authority to subcommittees where appropriate;
12. Produce an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations of the Regulatory Bodies;
13. Review and discuss with the Company's management the Company's executive compensation disclosure (including the Company's disclosures under "Compensation Discussion and Analysis") included in reports and registration statements filed with the SEC.
14. Oversee the Company's compliance with any rules promulgated by any Regulatory Body prohibiting loans to officers and directors of the Company; and
15. The Committee shall make regular reports to the Board concerning areas of the Committee's responsibility.
16. Perform an annual evaluation of the Committee in conjunction with the annual Board self-assessment process the results of which are discussed with the Board.

17. Administer the Company's Clawback policy
18. Perform such other functions as may be requested by the Board from time to time and exercise such additional powers as may be reasonably necessary or desirable, in the Committee's discretion, to fulfill its responsibilities and duties under this Charter.
19. In carrying out its responsibilities, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Committee may consult. The Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Committee or meet with any members of or advisors to the Committee.

#### **D. INDEPENDENT ADVICE**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above, and may seek, retain, and terminate, accounting, legal, consulting or other expert advice from a source independent of management, at the expense of the Company, with notice to the Chairman of the Board and the CEO. In furtherance of the foregoing, the Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive officer compensation and shall have the sole authority to approve the consultant's fees and other retention terms.