



Five Prime Therapeutics, Inc.

Compensation and Management Development Committee Charter

I. Purpose

The purpose of the Compensation and Management Development Committee (the "Committee") of the Board of Directors (the "Board") of Five Prime Therapeutics, Inc. ("FivePrime") is to (a) assist the Board in fulfilling its responsibilities regarding the compensation of FivePrime's Chief Executive Officer (the "CEO"), FivePrime's other executive officers, as defined by Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and the non-employee members of the Board; (b) administer and implement FivePrime's incentive compensation plans and equity-based plans; (c) oversee FivePrime's management development programs and succession planning; and (d) oversee compliance with the compensation rules, regulations and guidelines promulgated by the Nasdaq Stock Market ("Nasdaq"), the Securities and Exchange Commission (the "SEC") and other applicable laws, including, to the extent applicable, (i) overseeing and assisting FivePrime in preparing the Compensation Discussion & Analysis for inclusion in FivePrime's proxy statement and/or annual report on Form 10-K, (ii) providing for inclusion in FivePrime's proxy statement a description of the processes and procedures for consideration and determination of executive and director compensation, and (iii) preparing and submitting for inclusion in FivePrime's proxy statement and/or annual report on Form 10-K a Compensation Committee Report.

In addition to the powers and responsibilities expressly delegated to the Committee in this charter (the "Charter"), the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the bylaws of FivePrime (as may be amended from time to time, the "Bylaws") and applicable law. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without the requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee's sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be comprised of two or more members of the Board, with the exact number determined by the Board. Each member shall:

- meet the “independence” criteria set forth in FivePrime’s Corporate Governance Guidelines, Rule 10C-1 of the 1934 Act and the Nasdaq rules;
- qualify as a “non-employee director,” as defined in Rule 16b-3 under Section 16 of the 1934 Act; and
- qualify as an “outside director” under Regulation Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986 (the “Code”), as amended.

Any subsequent determination that any member of the Committee does not qualify as a “non-employee director” or an “outside director” will not invalidate any previous actions by the Compensation Committee, except to the extent required by law or determined to be appropriate to satisfy regulatory standards.

The members of the Committee, including the chairperson (the “Chair”) of the Committee, shall be appointed by the Board. If the Board does not appoint a Chair, the Committee members may designate a Chair by their majority vote. Committee members shall serve for such term or terms as the Board may determine or until earlier resignation or death. Committee members may be removed from the Committee, with or without cause, by the Board.

III. Meetings and Procedures

1. The Committee shall meet as often as it deems necessary, but in no event less than annually. A majority of the members of the Committee shall constitute a quorum.
2. Any member of the Committee or the Board may call a meeting of the Committee.
3. The Chair will set the agenda for Committee meetings and conduct the proceedings of those meetings.
4. The Committee may delegate authority to one or more members of the Committee where appropriate, but no such delegation shall be permitted if the authority is required by law, regulation or applicable listing standards to be exercised by the Committee as a whole.
5. The Committee may request that any directors, officers or employees of FivePrime, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests.
6. The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws and this Charter.

7. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

IV. Duties and Responsibilities

The principal duties and responsibilities of the Committee in serving the purposes outlined in Section I of this Charter are set forth below. These duties are set forth as a guide, with the understanding that the Committee will carry them out in a manner that is appropriate given FivePrime's needs and circumstances. The Committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

The Committee will:

1. Review annually the compensation strategy of FivePrime, including base salary, incentive compensation and equity-based grants, including whether to adopt, amend and terminate such compensation. In reviewing the compensation strategy of FivePrime, including whether to adopt, amend or terminate any compensation plans, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation if required by Section 14A of the 1934 Act and the rules and regulations promulgated thereunder ("Say on Pay Vote").
2. Review and approve annually the corporate goals and objectives applicable to the compensation of the CEO, evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and approve the compensation level and other terms of employment of the CEO based on this evaluation, including, base salary, cash and equity-based incentive compensation, bonus, special benefits, perquisites and incidental benefits and other incentive compensation, and other terms of employment. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent Say on Pay Vote if required by Section 14A of the 1934 Act and the rules and regulations promulgated thereunder. The Committee's decisions regarding performance goals and objectives and the compensation of the CEO shall be reported to the Board.
3. Determine and approve or recommend to the Board for determination and approval the compensation and other terms of employment of the executive officers (other than the CEO), taking into consideration the officer's success in achieving his or her individual performance goals and objectives, the corporate performance goals and objectives deemed relevant to the officer as established by the Committee. In evaluating and determining or making recommendations regarding executive

compensation, the Committee may, at its sole discretion, give consideration to the recommendations of the CEO, and the Committee shall consider the results of the most recent Say on Pay Vote if required by Section 14A of the 1934 Act and the rules and regulations promulgated thereunder.

4. Review and approve the terms of any employment agreements, severance arrangements, change-of-control protections and any other compensatory arrangements (including perquisites and any other form of compensation) for the CEO and executive officers, as appropriate, which includes the ability to adopt, amend and terminate such agreements or arrangements.
5. Establish, review and approve all bonuses, equity incentive awards or other compensation to the extent any such bonus, awards or other compensation is intended to be qualified performance-based compensation under Section 162(m) of the Code.
6. Monitor FivePrime's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.
7. Review and discuss with management FivePrime's disclosures (if applicable) contained under the caption "Compensation Discussion and Analysis" for use in FivePrime's annual reports on Form 10-K, registration statements, proxy statements or information statements and, if such disclosure is included, make recommendations to the Board that the CD&A be approved for inclusion in FivePrime's annual reports on Form 10-K, registration statements, proxy statements or information statements, as required by the 1934 Act, the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.
8. Prepare and review the Committee's report on executive compensation to be included in FivePrime's annual proxy statement in accordance with the rules and regulations promulgated by the SEC.
9. At the Committee's discretion, delegate to the CEO within the limits imposed by applicable law and the rules and regulations promulgated under the 1934 Act, the joint authority to approve cash awards or make initial equity grants to employees of FivePrime who are not members of the Board or executive officers pursuant to guidelines established by the Committee, provided that in the case of equity grants, the price per share of any grant by the CEO is no less than the fair market value of FivePrime's common stock on the date of grant.

10. Review the compensation and benefits paid to non-employee directors for their service on the Board and its committees at least once a year and recommend any changes considered appropriate to the full Board for its approval.
11. Oversee and review with management FivePrime's major compensation-related risk exposures, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate the steps management has taken to monitor or mitigate such exposures, including risks related to executive compensation and overall compensation and benefit strategies, plans, arrangements, practices and policies.
12. If required under the 1934 Act, review and recommend to the Board for approval the frequency with which FivePrime will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes if required by Section 14A of the 1934 Act and the rules and regulations promulgated thereunder, and review and approve, if applicable, the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in FivePrime's proxy statement.
13. Consider and make recommendations to the Board regarding whether to include the seeking of stockholder approval of "golden parachute" arrangements in the annual proxy statement in lieu of (or in addition to) inclusion any special proxy statement in accordance with the rules and regulations promulgated by the SEC.
14. Oversee FivePrime's compliance with regulatory requirements associated with compensation of its directors, officers, and employees, and review FivePrime's compliance program relating to restrictions on and reporting of securities transactions by FivePrime and its executive officers and directors.
15. Oversee FivePrime's plans for the development of and succession for executive officers, including the Chief Executive Officer, and annually review succession plans for the Chief Executive Officer and other executive officer positions with the Board.
16. Review the performance and advancement potential of current and potential officers of FivePrime and review plans to develop and retain high potential successors to FivePrime's executive officers.
17. Perform any other activities required by applicable law, rules or regulations, including the rules and regulations promulgated under the 1934 Act and rules and regulations of the SEC, and take such other actions and perform and carry out any other responsibilities and duties

delegated to it by the Board or as the Committee deems necessary or appropriate consistent with its purpose.

V. Studies and Advisers

The Committee, in discharging its responsibilities, may conduct, direct, supervise or authorize studies of, or investigations into, matters within the Committee's scope of responsibility, with full access to all books, records, facilities and personnel of FivePrime. The Committee has the sole authority and right, at the expense of FivePrime, to retain legal counsel, compensation and other consultants, accountants, experts and advisers of its choice to assist the Committee in connection with its functions, including any studies or investigations. The Committee shall set the compensation, and oversee the work, of such legal counsel, consultants, accountants, experts and advisers. FivePrime will provide for appropriate funding, as determined by the Committee, for:

- payment of reasonable compensation to any legal counsel, consultants, accountants, experts and advisers retained by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its functions.

The Committee is not required to implement or act consistently with the advice or recommendation of such advisers, and the Committee's ability or obligation to exercise its own judgment in fulfillment of its duties shall not be affected by such advisers.

Prior to selecting an adviser, and from time to time as the Committee determines appropriate, the Committee shall assess the independence of such adviser based upon the factors specified in Nasdaq Listing Rule 5605(d)(3).

VI. Minutes and Reports

The Committee will maintain written minutes of its meetings and copies of its actions by written consent, and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate.

VII. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, but only to the extent consistent with FivePrime's certificate of incorporation, Bylaws, Section 162(m) of the Code, Nasdaq rules and other applicable law.

VIII. Review of Committee Composition, Performance and Charter

The Committee will evaluate its own composition and performance on an annual basis, including its compliance with this Charter, and submit a report to the Board, including any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct this evaluation in such manner as it deems appropriate. Additionally, the Committee will also review and reassess the adequacy of this Charter at least annually, and recommend to the Board any changes the Committee determines are appropriate.

IX. Publication

FivePrime shall make this Charter freely available to stockholders on request and, provided that FivePrime is subject to the periodic reporting requirements of the 1934 Act, shall publish it on FivePrime's website.

As amended on May 19, 2016