



**CHARTER OF THE GOVERNANCE, NOMINATING AND SUSTAINABILITY  
COMMITTEE OF THE BOARD OF DIRECTORS  
OF AXOGEN INC.**

**August 15, 2019**

**A. Name**

There shall be a committee of the Board of Directors (the “Board”) of Axogen Inc. (the “Company”) called the Governance, Nominating and Sustainability Committee (the “Committee”).

**B. Purpose of Committee**

The purpose of the Committee is to provide oversight in relation to the corporate governance of the Company, and the Company’s sustainability activities, including to:

- (i) assist the Board with compliance and oversight of the Company’s Code of Business Conduct and Ethics (the “Code”) and sustainability in executing the business strategy of the Company including, but not limited to, major investments, strategy, operational benefits and performance and the Company’s business and impact on the Company’s performance, growth and competitive position;
- (ii) review and resolve conflicts of interest situations;
- (iii) consider, and if necessary or appropriate, grant waivers of the Company’s Code;
- (iv) review and consider developments in corporate governance processes;
- (v) recommend to the Board a set of corporate governance principles applicable to the Company;
- (vi) identify individuals qualified to become Board members and be aspirational as to Board diversity;
- (vii) recommend director nominees to the Board;
- (viii) provide oversight in respect to other relevant matters relating to the composition and operation of the Board;
- (ix) review, and make recommendations to the Board, the implementation of which create value consistent with the long-term preservation and enhancement of shareholder value and social well-being, on, the Company’s policy and performance in relation to sustainability-related matters, including:
  - a) health and safety;
  - b) the environment;



- c) climate change;
  - d) human rights;
  - e) heritage and land access;
  - f) security and emergency management; and
  - g) community relations;
- (x) assist in setting annual sustainability performance goals and assessing achievement of such goals if requested by the Compensation Committee; and
- (xi) perform such other duties as assigned to it from time to time by the Board.

### **C. Committee Membership**

The Committee members shall be appointed by the Board, shall serve at the pleasure of the Board and for such term or terms as the Board may determine, and the Board shall have the right to make changes to membership composition at any time with or without cause. The Committee shall be composed of at least two directors, except as otherwise necessary to comply with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission (the "SEC") and the Nasdaq National Market System. Each Committee member shall be independent, non-officer directors, and 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 addition, each member shall be a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 and qualify as an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code. The Board shall make determinations as to whether a particular director satisfies the requirements for membership on the Committee.

### **D. Committee Structure and Operations**

The Board shall designate one member of the Committee as its chairperson (the "Chair"). The Committee shall meet at least one time each year, with further meetings to occur when deemed necessary or desirable by the Committee or its Chair. The Committee may meet in person or by telephone or videoconference and may take action by written consent. The Committee may invite such members of management, its external audit firm or consultants to the Company to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of the issues under discussion. A simple majority of members in attendance in person or by teleconference will constitute a quorum for each meeting.



## **E. Committee Duties and Responsibilities**

The Committee shall:

### **I. Corporate Governance**

1. Review and reassess the adequacy of the Code and this Charter at least annually, and more frequently as conditions dictate, and propose to the Board any amendments to the Code or the Charter as the Committee deems necessary or appropriate.
2. As assigned to it by the Board, investigate any potential conflict of interest between a director, executive officer or employee of the Company and the Company.
3. Consider, and if appropriate and permitted, grant any requested waivers of the Code, and in the case of waivers of the Code that may be granted only by the Board, make recommendations to the Board regarding such waivers.
4. Monitor the development of best practices regarding corporate governance and take a leadership role in shaping the corporate governance of the Company.
5. Establish, at the request of the Board, the Company's policy on Board diversity.
6. Provide risk oversight, in conjunction and consultation with the Audit Committee.

### **II. Nominating**

1. Recommend to the Board a Board size and composition that the Committee determines is best suited to fulfilling the Board's responsibilities.
2. Identify and recommend individuals (including, without limitation, existing Board members) believed by the Committee to be qualified to stand for election as director of the Company in accordance with the Nominating Criteria set forth below, at the annual meeting of stockholders or, if applicable, at a special meeting of stockholders. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by stockholders.
3. In the case of a director nominee to fill a Board vacancy created by an increase in the size of the Board, make a recommendation to the Board as to



- the class of directors in which the individual should serve, consistent with the Company's articles of incorporation and bylaws.
4. Prepare a description of qualifications that must be met by a Committee recommended nominee to the Board and any of the Company's committees, including qualities or skills that are necessary or desirable for one or more of the Company's directors and committee members to possess, and to periodically review and reassess the description of qualifications and make any amendments as the Committee deems necessary or appropriate.
  5. Evaluate nominees for director, including nominees appropriately recommended by stockholders, and determine whether there are any differences in the manner in which the Committee evaluates appropriate nominees from stockholders as compared to nominees identified and recommended by the Committee.
  6. After a review of nominees for director and after considering the advice of any individuals the Committee deems appropriate, designate which, if any, candidates are to be interviewed and by whom they are to be interviewed. Generally, candidates should be interviewed by the chairperson of the Committee and the chairperson of the Board, but also may be interviewed by other directors of the Company as the Committee deems appropriate.
  7. After any interviews, recommend for Board approval any new directors to be nominated.
  8. Identify and recommend individuals (including, without limitation, existing Committee members) believed by the Committee to be qualified to become members of any of the Company's committees, including the Committee, and Chairpersons for any of the Company's committees, or to fill vacancies on any of the Company's committees.
  9. Lead the Board in conducting its annual review of the Board's performance.
  10. As requested by the Board, assist the Board in determining director independence under applicable laws, rules and regulations.
  11. Perform such other duties and responsibilities, consistent with this Charter and governing laws, as may be delegated to the Committee from time to time by the Board.



### **III. Reports and Records**

1. The Committee Chair shall prepare an agenda for each meeting and provide materials for review at the meetings.
2. The Committee Chair shall report to the Board on a regular basis with respect to the activities of the Committee; apprise the Board, through minutes, special presentations or otherwise as necessary, of any significant developments relating to the responsibilities of the Committee; and make such recommendations with respect to any of the above matters as the Committee deems necessary or appropriate.

### **F. Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants upon unanimous vote by the members of the Committee as to the selection of the advisors, including independent or outside counsel, and the specific duties and responsibilities requested of the advisors. The Committee shall have the sole authority to select and retain a consultant or search firm, including those used to identify individuals qualified to service on the Board upon unanimous vote by members of the Committee as to the selection of the search firm, and the specific duties and responsibilities requested of the search firm, to terminate any consultant or search firm retained by it, and to approve the consultant or search firm's fees and other retention terms. All related fees and costs of such advisors shall be paid promptly by the Company in accordance with its normal business practices.

### **G. Amendment**

The Board shall have the authority to amend or modify any provision of this Charter at any time; provided, however, that the Board may make no such amendment or modification that is inconsistent with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC and the Nasdaq.



## **AXOGEN INC.**

### **GOVERNANCE AND NOMINATING COMMITTEE POLICY REGARDING IDENTIFICATION AND EVALUATION OF POTENTIAL DIRECTOR NOMINEES**

#### **1. Identification and Evaluation of Director Nominees**

The Governance and Nominating Committee ("Committee") is responsible for identifying, evaluating and recommending qualified candidates for election to the Board of Directors in accordance with the Company's Governance and Nominating Committee Charter. The Committee may consider candidates submitted by a variety of sources (including, without limitation, incumbent and past directors, stockholders, the Company's management and, if retained, third party search firms) when reviewing candidates to fill vacancies and/or expand the Board.

If a vacancy arises or the Board decides to expand its membership, the Committee may seek recommendations of Director candidates from a variety of sources. At that time, the Committee also will consider Director candidates submitted by stockholders in accordance with the procedures described below. The Committee will then evaluate each Director candidate's educational background, employment history, outside commitments and other relevant factors to determine whether he/she is potentially qualified to serve on the Board. The Committee will seek to identify and recruit the best available candidates, and it will evaluate qualified stockholder candidates on the same basis as those submitted by other sources. If the process yields one or more desirable candidates, the Committee will rank them by order of preference, depending on their respective qualifications and the Company's needs. The Chairman of the Committee, or another Director designated by the Chairman of the Committee, will contact the desired candidate(s) to evaluate and/or confirm their interest. Interviews of candidates may be held by the Committee. Based upon interview results, the candidate's qualifications and appropriate background checks, the Committee will then decide whether it will recommend the candidate's nomination to the full Board.

#### **2 Nomination of Candidates for Director Received From Stockholders**

The Committee will consider Director candidates submitted by stockholders. Any stockholder wishing to submit a candidate for consideration (the "Recommending Stockholder") should send the following information to the Governance and Nominating Committee, Axogen Inc., 13631 Progress Blvd., Suite 400, Alachua, FL 32615:

- (i) The Recommending Stockholder's name and address as it appears on the Company's books; the number and class of shares owned beneficially and of record by such Recommending Stockholder and the length of period held; and proof of ownership of such shares;
- (ii) Name, age and address of the candidate;



- (iii) A detailed resume describing, among other things, the candidate's educational background, occupation, employment history, and material outside commitments (e.g., memberships on other boards and committees, charitable foundations, etc.);
- (iv) Any information relating to such candidate that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act") and rules promulgated thereunder;
- (v) A description of any arrangements or understandings between the Recommending Stockholder and such candidate;
- (vi) A supporting statement which describes the candidate's reasons for seeking election to the Board of Directors, and documents his/her ability to satisfy the Director qualifications described in Section 3, below; and
- (vii) A signed statement from the candidate, confirming his/her willingness to serve on the Board of Directors.

In addition, if the Recommending Stockholder has individually been the beneficial owner of more than 5% of the Company's common stock for a period of at least one year, or is part of a group of Recommending Stockholders who together beneficially own more than 5% of the Company's common stock (for purposes of this calculation, each of the securities used to calculate the ownership percentage must have been beneficially owned by such person for at least one year) and such person or group submits a candidate within 120 calendar days before the anniversary date of the release of the Company's previous proxy statement to stockholders, then

- (i) each such Recommending Stockholder must provide written consent to the Company's public identification of each such Recommending Stockholder by name in connection with the Recommending Stockholder(s) nomination, and
- (ii) the candidate for Director named by such Recommending Stockholder(s) must consent in writing to the Company's public identification of such candidate and the Company's disclosure of whether or not it chose to nominate such candidate.

The Chairman of the Committee will promptly forward such materials to the Chairman of the Board and will also maintain copies of such materials for future reference by the Committee when filling Board positions.

Except as provided herein, stockholders may submit Director candidates at any time pursuant to these procedures. The Committee will consider such candidates if a vacancy arises or if the Board decides to expand its membership, and at such other times as the Committee deems necessary or appropriate.

Separate procedures apply if a stockholder wishes to submit at the Company's Annual Meeting a Director candidate that is not approved by the Committee or Board. Those procedures are described in the Company's bylaws.



### **3. Director Qualification Standards**

The Committee works with the Board on an annual basis to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education, and public service. Characteristics expected of all directors include independence, integrity, high personal and professional ethics, sound business judgment, and the ability and willingness to commit sufficient time to the Board. In evaluating the suitability of individual Board members, the Board takes into account many factors, including general understanding of marketing, finance, and other disciplines relevant to the success of a publicly traded medical device company in today's business environment; understanding of the Company's business and technology; educational and professional background; personal accomplishment; and geographic, gender, age, and ethnic diversity. From time to time the Committee may seek outside review of directors from an independent third party as part of its consideration of Board members. The Board evaluates each individual in the context of the Board as a whole, with the objective of recommending a group that can best perpetuate the success of the Company's business and represent shareholder interests through the exercise of sound judgment, using its diversity of experience. In determining whether to recommend a director for re-election, the Committee also considers the director's past attendance at meetings, participation in and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

### **4. Nominating and Governance Committee Charter**

The Committee will, at all times, act in accordance with the standards set forth in the Nominating and Governance Committee Charter.

### **5. Amendment, Modification and Waiver**

These Policies may be amended, modified or waived by the Board of Directors or by the Committee, subject to the disclosure and other provisions of the Exchange Act, the rules promulgated thereunder and the applicable rules of Nasdaq.