

RALLYBIO CORPORATION
CORPORATE GOVERNANCE GUIDELINES

1. Selection and Composition of Board of Directors

Role of the Board

The basic responsibility of the Board of Directors (the “Board”) of Rallybio Corporation (the “Company”) is to exercise its business judgment to act in a manner that each director reasonably believes to be in the best interests of the Company and its stockholders. In addition to being responsible for the general oversight of management, the Board and its committees perform a number of specific functions, including:

- reviewing and approving the Company’s key objectives and strategic business plans and monitoring implementation of those plans and the Company’s success in meeting identified objectives;
- reviewing and approving the Company’s financial objectives and major corporate plans, business strategies and actions;
- selecting, evaluating and setting the compensation for the Chief Executive Officer (“CEO”) of the Company and overseeing CEO succession planning;
- providing advice and oversight regarding the selection, evaluation, development and compensation of senior management;
- overseeing the Company’s risk management and mitigation activities, including with respect to cybersecurity;
- providing advice for the Company’s strategies regarding the management of environmental, social and governance matters; and
- reviewing and monitoring administration of the policies and procedures to safeguard the integrity of the Company’s business operations and financial reporting and to promote compliance with applicable laws and regulations.

Size of the Board

The Amended and Restated Certificate of Incorporation of the Company provides that the exact number of directors on the Board shall be determined from time to time by resolution of the Board. The Board should neither be too small to maintain the necessary expertise and independence nor too large to function efficiently. The Board will periodically review the appropriate size and mix of the Board in light of the objectives stated herein.

Selection of New Directors

The Board is responsible for selecting nominees for election by the stockholders. The Board, however, delegates the process for identifying and reviewing candidates for director positions to the Nominating and Corporate Governance Committee, which shall receive recommendations for such positions from the CEO.

Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for developing and recommending to the Board criteria for Board membership. It is the Board's policy that directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Company's stockholders. It is also the Board's policy that, unless otherwise permitted by applicable phase-in rules and exemptions, the composition of the Board shall at all times adhere to the standards of independence promulgated by The Nasdaq Stock Market ("Nasdaq") and as further clarified below under "*Director Independence*." The Board believes that the directors should possess a combination of skills, professional experience and diversity of viewpoints necessary to oversee the Company's business, and should contribute to the overall diversity of the Board. Accordingly, the Board considers the qualifications of directors and director candidates individually and in the broader context of its overall composition and the Company's current and future needs.

The Board also requires each director to be able to dedicate sufficient time to perform diligently his or her duties on the Company's behalf, including by attending all Board and applicable committee meetings. In general, the Board does not have a policy limiting the number of other public company boards of directors upon which a director may sit. However, the Nominating and Corporate Governance Committee shall consider the number of other boards of directors (or comparable governing bodies), particularly with respect to public companies, on which a prospective nominee is a member. Although the Board does not impose a limit on outside directorships, it does recognize the substantial time commitments attendant to membership on the Board and expects that directors devote all such time as is necessary to fulfill their accompanying responsibilities, both in terms of preparation for, and attendance and participation at, meetings.

The Board also believes that each outside director should advise the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve as a member on another board of directors.

Director Independence

An "independent" director shall be one who meets the qualification requirements for being an independent director under applicable laws and Nasdaq listing standards, including the requirement that he or she be neither an Executive Officer (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended) nor an employee of the Company, and otherwise have no relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. To guide its determination as to whether or not a relationship between the Company and an organization with

which a director is affiliated is material, the Board, or designated committee of the Board, may from time to time adopt categorical standards of independence.

The Board is willing to have members of senior management, in addition to the CEO, and other individuals who may not meet the above definition of independence, as directors. In addition, the Board believes that it may be beneficial to the discharge of their duties as directors for members of senior management, other employees or advisers that do not serve on the Board to nonetheless attend Board meetings on a regular basis.

Chairperson of the Board

From time to time, the Board may appoint a standing Chairperson. However, the Board recognizes that there may be circumstances where no Chairperson will have been designated, in which case the Board will select a director to preside over each Board meeting (unless a Lead Director has been elected, as described below). The Board will make such selections at such times that it believes are in the best interest of the Company.

The Board believes that it is in the best interest of the Company for the Board to periodically make a determination regarding whether or not to separate or keep separate, as the case may be, the roles of the Chairperson and the CEO based on the then-current circumstances.

Lead Director

When the Chairperson of the Board is not an independent director or there is no director serving as the Chairperson of the Board, a lead director (the “Lead Director”) may be elected annually by the Board. The Lead Director, if any, shall be an independent director. In the absence of a Chairperson of the Board and a Lead Director, the Board shall determine the process by which the responsibilities of a Chairperson of the Board or a Lead Director shall otherwise be fulfilled.

Director Term Limits

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of potentially resulting in loss of the contribution of directors who over time have developed increasing insight into the Company and its operations and regulatory environment, and therefore provide an increasing contribution to the Board as a whole.

The Nominating and Corporate Governance Committee, in consultation with the CEO, shall review each director’s qualifications to serve on the Board prior to such director’s re-nomination as a director. This will also allow each director the opportunity to confirm his or her desire to continue as a member of the Board.

Directors Who Change Their Present Job Responsibility

It is the view of the Board that directors who retire or otherwise change their principal occupation should volunteer to resign from the Board. The Board does not believe that directors who retire or otherwise change their principal occupation should necessarily leave the Board.

There should, however, be an opportunity for the Board, through the Nominating and Corporate Governance Committee, to review the continued appropriateness of that director's membership under the circumstances.

When the Chief Executive Officer no longer holds the Chief Executive Officer position, he or she should offer his or her resignation from the Board. Whether that individual continues to serve on the Board is a matter for discussion at that time between the Board, through the Nominating and Corporate Governance Committee, and the new Chief Executive Officer.

A director, other than the Chief Executive Officer, who is also an employee of the Company, should offer his or her resignation from the Board to the Nominating and Corporate Governance Committee contemporaneously with his or her retirement or resignation from the management of the Company. The Board, through the Nominating and Corporate Governance Committee, should have an opportunity to review the continued appropriateness of that director's membership under the circumstances.

Director Retirement Policy

The Board does not believe it should establish a mandatory retirement age for directors. Requiring directors to retire at a specified age has the disadvantage of potentially resulting in loss of the contribution of directors who over time have developed increasing insight into the Company and its operations and regulatory environment, and the Company would not force directors to retire due to age if the directors might otherwise desire to continue as members of the Board.

2. Board Compensation and Performance

Board Compensation Policy and Stock Ownership

The Compensation Committee is responsible for recommending to the entire Board the compensation and benefits for non-employee directors. It is appropriate for the Compensation Committee to report from time to time to the entire Board on the status of director compensation in relation to other U.S. publicly held companies of comparable size operating in comparable industries. Executive officers of the Company serving as members of the Board shall not receive additional compensation for their service as such.

Proposed changes in director compensation, if any, should come at the suggestion of the Compensation Committee, but with full discussion by and concurrence of the entire Board. It is the policy of the Board that a portion of director compensation should be in the form of stock or stock-based instruments in order to align their interest with those of stockholders.

Evaluation of Board Performance

The Nominating and Corporate Governance Committee is responsible for developing, subject to approval by the Board, a process for an annual evaluation of the Board and its committees, overseeing such evaluations and reporting the results to the Board. If the Nominating and Corporate Governance Committee so desires, it may be assisted by an outside consultant in developing such annual evaluation processes.

Orientation and Continuing Education

Under the direction of the Nominating and Corporate Governance Committee, each new director should be provided an orientation program that includes appropriate materials, meetings with key members of the Company's management and visits to Company facilities. The Board may provide continuing education for directors, either individually, as a committee or as the entire Board.

Interaction with Institutional Investors, Press, Etc.

The Board believes that management speaks for the Company. Individual non-management directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that these members would do this with the knowledge and permission of management, in accordance with Company policies and, in most instances, at the request of management. Such interactions and communications are discouraged without the prior approval of the Board.

3. Meetings of the Board of Directors

Scheduling and Selection of Agenda Items for Board Meetings

The Board will determine the frequency and length of its meetings. It is the view of the Board that regular meetings at appropriate intervals are desirable for the performance of its responsibilities. In addition to regularly scheduled meetings, special meetings may be called at any time to address any special needs, upon appropriate notice and in accordance with the Amended and Restated Bylaws (as they may be amended, restated or amended and restated).

The Chairperson, Lead Director or CEO shall establish the agenda for each Board meeting, generally in consultation with and with the assistance of management, and distribute it in advance to directors. Each director is free to suggest the inclusion of items on an agenda, to raise at any Board meeting subjects that are not on the agenda for that meeting or to request the presence of or a report by any member of management. If the CEO is then also Chairperson of the Board, directors wishing to discuss issues or to add agenda items that are not appropriately or best forwarded to the CEO should forward such requests to the Lead Director, or in the absence of a Lead Director, a contact director should be specified to receive such requests. During at least one Board meeting each year, management will present to the Board the long-term strategic plan for the Company and the principal issues that it expects to face in the future.

Board Material and Presentations

Information and data that is important to the understanding of the business and matters to be considered at any Board meeting should be distributed in writing and in advance to directors. As a general rule, materials on specific subjects should be sent to directors sufficiently in advance so that directors will be prepared to discuss questions that they may have about the material.

The Board encourages management to schedule employees to present at Board meetings who can provide additional insight into the specific matters being discussed because of personal involvement in those areas or management otherwise believes should be introduced to the Board.

Participation in Board Meetings

The Board expects directors to rigorously prepare for, attend and participate in all Board and applicable committee meetings. In determining whether to recommend a director for re-election, the Nominating and Corporate Governance Committee considers the director's past attendance at Board and committee meetings and participation in and contributions to the activities of the Board and the committees. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with his or her service as a director.

Access to Management and Employees

Each director is encouraged to keep himself or herself informed of the affairs of the Company between Board meetings through direct contact with employees and members of senior management, to whom each director will have access. It is expected that any such contact will be coordinated through the CEO and that each director will use judgment to ensure that such access is not distracting to the business operation of the Company.

Access to Independent Advisers

The Board and its committees shall each have the right at any time to retain independent outside accounting, financial, legal or other advisers, and the Company shall provide appropriate funding, as determined by the Board or any committee, to compensate such independent outside advisers, as well as to cover the ordinary administrative expenses incurred by the Board and its committees in carrying out their duties.

Meetings of the Non-Management Directors

It is the policy of the Board to have separate meeting sessions for the non-management directors periodically during regularly scheduled Board meetings to review matters concerning the relationship of the Board with the management directors and other members of senior management and such other matters as they deem appropriate.

The Chairperson of the Board, or, if the Chairperson is not an independent director, the Lead Director, shall preside over the meetings of the non-management directors. If the Chairperson is not independent or there is no director serving as the Chairperson and there is no Lead Director, at meetings of the non-management directors, the non-management directors will designate a chairperson for each meeting. In order to allow interested parties the opportunity to make their concerns known to these non-management directors, the Board may from time to time establish a procedure for these parties to communicate directly with the non-management directors.

The independent directors shall also meet at least twice a year.

4. Committees of the Board of Directors

Number of Committees

The Board will establish committees from time to time to facilitate and assist in the execution of its responsibilities. These committees shall generally address issues that, because of their complexity and technical nature, level of detail and time requirements, or because of proper corporate governance principles, cannot be adequately addressed at larger Board meetings.

The Board currently has three committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. There may, from time to time, be occasions on which the Board deems it appropriate to form a new committee or disband a committee depending upon the circumstances. The Company shall comply with all Nasdaq requirements relating to the constitution of key committees, including requirements relating to the independence of committee members.

Each committee shall have a written charter of responsibilities and authorities that shall be periodically reviewed by the Board. The Company has made the charters for the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee publicly available on the Company's website.

Assignment and Term of Service of Committee Members

The Board is responsible for the appointment of committee members and committee chairpersons, taking into account the desires and qualifications of individual members and the recommendations of the Nominating and Corporate Governance Committee. In making such appointments, the Board shall consider the rotation of committee membership and the Board Chairperson at appropriate intervals, although the Board does not believe that rotation should be mandated as a policy.

Frequency and Length of Committee Meetings and Committee Agenda

The committee chairpersons, in consultation with the other committee members, will determine the frequency and length of committee meetings and, in consultation with and with the assistance of the appropriate members of senior management, develop the agenda for committee meetings. The agendas and meeting minutes of the committees will be shared with the full Board. Any director that is not a member of a particular committee may attend any committee meetings with the concurrence of the committee chairperson.

5. Leadership Development

Formal Evaluation of CEO

The Compensation Committee should evaluate the CEO annually in light of the goals and objectives that the committee reviews and approves. The evaluation should be communicated to the CEO by the chairperson of the Compensation Committee. This evaluation should be based on clearly articulated criteria, including performance of the business, accomplishment of long-term strategic objectives and development of senior management. The evaluation will be used

by the Compensation Committee in the course of its deliberations when considering, either as a committee or together with the other independent directors (as directed by the Board), its recommendation of the compensation of the CEO and by the Board in approving the compensation for the CEO.

Succession Planning and Management Development

The CEO should review succession planning and management development with the Board and the Compensation Committee on an annual basis. This succession planning includes the development of policies and principles for selection of the CEO, including succession in the event of retirement or an emergency.