

SENOMYX, INC.

CHARTER OF THE COMPENSATION COMMITTEE

PURPOSE

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Senomyx, Inc. (the “Company”) shall be to act on behalf of the Board in fulfilling the Board’s responsibilities to oversee the Company’s compensation policies, plans and programs, to consider and authorize the hiring, promotion or termination of individuals for non-executive officer level positions, to recommend to the Board the hiring, promotion or termination of individuals for executive officer (as that term is defined in Section 16 of the Exchange Act and Rule 16a thereunder) level positions, and to review the compensation to be paid to the Company’s officers and directors, and to the extent applicable, to review and discuss with management the Company’s disclosures contained under the caption “Compensation Discussion and Analysis” (“CD&A”) for use in any of the Company’s annual reports on Form 10-K, registration statements, proxy statements or information statements and to prepare and review the Committee report on executive compensation included in the Company’s annual proxy statement as required under applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) in effect from time to time. The term “compensation” shall include salary, long-term incentives, bonuses, perquisites, equity incentives, severance arrangements, retirement benefits and other related benefits and benefit plans. The operation of the Committee shall be subject to the Bylaws of the Company as in effect from time to time and Section 141 of the Delaware General Corporation Law.

COMPOSITION

The Committee shall consist of at least three members of the Board of Directors. All members of the Committee shall satisfy the independence requirements of the Nasdaq National Stock Market (“Nasdaq”) applicable to compensation committee members, as in effect from time to time, when and as required by Nasdaq, including any exceptions permitted by these requirements. At least two of the members of the Committee shall satisfy the “non-employee director” standard within the meaning of Section 16b-3 of the Securities Exchange Act of 1934, as amended from time to time (the “Exchange Act”) and the “outside director” standard within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”). The members of the Committee shall be appointed by and serve at the discretion of the Board. Vacancies occurring on the Committee shall be filled by the Board. The Committee’s Chairperson shall be designated by the Board or, if it does not do so, the Committee members shall elect a Chairperson by a vote of a majority of the full Committee.

MEETINGS AND MINUTES

The Committee shall hold such regular or special meetings as its members deem necessary or appropriate. Minutes of each meeting of the Committee shall be prepared and

distributed to each director of the Company and the Secretary of the Company promptly after each meeting. The Committee shall report to the Board from time to time and whenever requested to do so by the Board.

AUTHORITY

The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder, including human resources, legal counsel or other personnel assisting in the preparation of the Company's filings with the SEC. The Committee shall have the authority, in its sole discretion, to obtain, at the expense of the Company, advice and assistance from internal or external legal, accounting or other advisors and consultants. In addition, the Committee shall have sole authority to retain and terminate any compensation consultant to assist in the evaluation of director, chief executive officer or senior executive compensation, including sole authority to approve such consultant's reasonable fees and other retention terms, all at the Company's expense. Other reasonable expenditures for external resources that the Committee deems necessary or appropriate in the performance of its duties are permitted and shall be incurred at the Company's expense. The Committee may form and delegate authority to subcommittees as appropriate, including, but not limited to, a subcommittee composed of one or more members of the Board to grant stock awards under the Company's equity incentive plans to persons who are not (a) "Covered Employees" under Section 162(m) of the Code; (b) individuals with respect to whom the Company wishes to comply with Section 162(m) of the Code or (c) then subject to Section 16 of the Exchange Act. The approval of this Compensation Committee Charter shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein.

RESPONSIBILITIES

To implement the Committee's purpose and policies, the Committee shall be charged with the following duties and responsibilities. The Committee may supplement and, except as otherwise required by applicable law or the requirements of Nasdaq, deviate from these activities as appropriate under the circumstances:

1. Overall Compensation Strategy. The Committee shall review, modify (as needed) and approve the overall compensation strategy and policies for the Company, including:

- reviewing and approving corporate performance goals and objectives relevant to the compensation of the Company's executive officers and other senior management, as appropriate;
- evaluating and recommending to the Board the compensation plans and programs advisable for the Company, as well as modification or termination of existing plans and programs;
- evaluating and establishing policies with respect to equity compensation arrangements while seeking to achieve an appropriate mix of fixed and variable compensation;
- reviewing regional and industry-wide compensation practices and trends to assess the adequacy and competitiveness of the Company's executive compensation programs

among comparable companies in the Company's industry; however, the Committee shall exercise independent judgment in determining the appropriate levels and types of compensation to be paid;

- authorizing and approving the hiring, promotion or termination of individuals for non-executive officer level positions;
- recommending to the full Board the hiring, promotion or termination of individuals for executive officer level positions;
- reviewing and approving the terms of any employment agreements, severance arrangements, change-of-control protections and any other compensatory arrangements (including, without limitation, perquisites and any other form of compensation) for the Company's executive officers and other senior management, as appropriate;
- establishing policies for the recovery of erroneously awarded compensation to executive officers as required by the SEC rules and regulations promulgated under Section 10D of the Exchange Act; and
- evaluating the efficacy of the Company's compensation policy and strategy in achieving a balance of short and long term incentives.

In discharging these responsibilities, the Committee shall ensure that the Company's compensation programs are appropriately competitive, support organizational objectives and stockholder interests and ensure an appropriate pay for performance linkage.

2. *Risk Assessment*

The Committee shall review and evaluate the risks associated with the Company's compensation policies and programs and benefit plans affecting the Company's officers and employees generally, including the potential for such policies, programs and benefits to influence employees to encourage excessive risk-taking.

3. *Compensation of Chief Executive Officer.*

The Committee shall determine and recommend to the Board for approval, the compensation and other terms of employment of the Company's Chief Executive Officer and shall evaluate the Chief Executive Officer's performance in light of relevant corporate performance goals and objectives and also taking into account other competencies that the Committee deems significant and relevant for the Chief Executive Officer's role.

In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee should consider the Company's performance and relative stockholder return, the potential benefits and costs to the Company of the award, the value of similar incentive awards given to chief executive officers of comparable companies, the awards given to the Company's Chief Executive Officer in past years, and such other criteria as the Committee deems advisable. The Chief Executive Officer may not be present during the voting or deliberations regarding his or her compensation.

4. *Compensation of Other Executive Officers.* The Committee shall review and approve the individual and corporate performance goals and objectives of the Company's other

executive officers and other senior management, as appropriate that are periodically established. The Committee shall determine and approve the compensation and other terms of employment of these executive officers and other senior management, as appropriate, taking into consideration the success of such executive officer or member of senior management, as appropriate, in achieving his or her individual performance goals and objectives and the corporate performance goals and objectives deemed relevant to such individual as established by the Committee and also taking into account other competencies that the Committee deems significant and relevant for the applicable individual's role within the organization.

5. *Compensation of Directors.* The Committee shall review and recommend to the Board the type and amount of compensation to be paid or awarded to Board members, including consulting, retainer, Board meeting, committee and committee chair fees and stock option grants or awards.

6. *Administration of Benefit Plans.* The Committee shall recommend to the Board the adoption, amendment and termination of the Company's stock option plans, stock appreciation rights plans, pension and profit sharing plans, incentive plans, stock bonus plans, stock purchase plans, bonus plans, deferred compensation plans and similar programs. The Committee shall have full power and authority to administer these plans, establish guidelines, interpret plan documents, select participants, approve grants and awards, modify or cancel existing grants and awards and exercise such other power and authority as may be permitted or required under such plans.

7. *CD&A.* To the extent applicable, the Committee shall review and discuss with management the Company's disclosures contained under the caption "Compensation Discussion and Analysis" for use in any of the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements and make recommendations to the Board regarding the inclusion of such disclosures in the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements.

8. *Committee Report.* The Committee shall prepare and review the Committee report on executive compensation to be included in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.

9. *Selection and Independence of Advisors.* Prior to selecting any compensation consultant, legal counsel or other advisor with respect to compensation matters, the Committee shall review, discuss and consider the independence of such compensation consultant, legal counsel or other advisor as required by the SEC rules and regulations promulgated under Section 10C of the Exchange Act, as well as the factors specified in Nasdaq Listing Rule 5605(d)(3) or any successor provision. However, nothing in this provision requires that any advisors be independent. The Committee need not conduct this independence assessment with respect to: (a) in-house legal counsel; or (b) any advisor whose role is limited to (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 advisor and about which the advisor does not provide advice.

10. *Committee Self-Assessment.* The Committee shall review, discuss and assess its own performance at least annually. The Committee shall also annually review and assess the adequacy of this charter, including the Committee’s role and responsibilities as outlined in this Charter, and shall recommend any proposed changes to the Board for its consideration.