

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **October 24, 2023**

**COMPASS PATHWAYS PLC**

(Exact Name of Registrant as Specified in Its Charter)

**England and Wales**  
(State or Other Jurisdiction of Incorporation)

**England and Wales**  
(State or other Jurisdiction of Incorporation)

**001-39522**  
(Commission  
File Number)

**Not applicable**  
(I.R.S. Employer  
Identification No.)

**33 Broadwick Street**  
**London W1F 0DQ**  
**United Kingdom**  
(Address of Principal Executive Offices; Zip Code)

**+1 (716) 676-6461**  
(Registrant's Telephone Number, Including Area Code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American Depositary Shares, each representing one ordinary share, nominal value £0.008 per share	CMPS	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.02      Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

*Departure of Chief Financial Officer*

Michael Falvey, Chief Financial Officer, principal financial officer and principal accounting officer of COMPASS Pathways plc (the “Company”), resigned from his role as chief financial officer to pursue other opportunities effective October 26, 2023. Mr. Falvey will continue as an employee of the Company in an advisory role to the Company’s chief executive officer through November 3, 2023. Mr. Falvey’s resignation was not due to any disagreement with the Company on any matter, including related to the Company’s operations, policies, practices, financial reporting, accounting matters or internal controls.

The Company and Mr. Falvey entered into a separation agreement and release dated October 24, 2023 (the “Separation Agreement”), pursuant to which his employment with the Company will end on November 3, 2023 (the “Separation Date”). Under the Separation Agreement, Mr. Falvey will receive (i) a separation payment in a gross amount equal to \$638,000 (which is equivalent to 12 months of his base salary and his 2023 bonus), payable in substantially equal monthly installments and subject to applicable tax withholdings and lawful deductions (the “Separation Payment”) and (ii) accelerated vesting of 25% of all shares or options subject to equity awards granted to Mr. Falvey prior to the Separation Date, which are unvested as of the Separation Date. If he elects to continue his group healthcare benefits, to the extent authorized by and consistent with COBRA, the Company will pay the monthly employer contribution until the earlier of (i) November 3, 2024, or (ii) the date Mr. Falvey becomes eligible for insurance through another employer or otherwise becomes ineligible for COBRA.

The foregoing summary description of the Separation Agreement is qualified in its entirety by reference to the full text of the Separation Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein in its entirety by reference.

*Appointment of Interim Chief Financial Officer*

Effective October 26, 2023, the Company appointed Mary-Rose Hughes as its Interim Chief Financial Officer until such time as the Company appoints a new chief financial officer. Ms. Hughes will also assume on an interim basis the duties of the principal financial officer and principal accounting officer of the Company.

Ms. Hughes currently serves as the Company’s Vice President of Finance. Ms. Hughes joined the Company as its second finance team member in May 2020 and helped build the Company’s financial operations, treasury, tax, financial planning & analysis and external reporting functions. Before joining the Company, from 2018 until 2019, Ms. Hughes served as Head of Financial Reporting for Veolia UK & Ireland. She began her career in public accounting with Ernst and Young. Ms. Hughes earned her LLB in Law at Queen’s University, Belfast and her ACA qualification from Chartered Accountants, Ireland.

In connection with her appointment as Interim Chief Financial Officer, the Company will increase Ms. Hughes’ base salary by 30% for the duration of her service as Interim Chief Financial Officer and provide a one-time, discretionary bonus in the amount of £30,000. Ms. Hughes also entered into the Company’s standard Deed of Indemnity, the form of which was filed as Exhibit 10.6 to the Company’s registration statement on Form F-1/A filed with the Securities and Exchange Commission on September 14, 2020.

There are no arrangements or understandings between Ms. Hughes and any other persons pursuant to which Ms. Hughes was appointed as Interim Chief Financial Officer of the Company. In addition, there are no family relationships between Ms. Hughes and any director or executive officer of the Company, and there are no transactions involving Ms. Hughes requiring disclosure under Item 404(a) of Regulation S-K of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

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**Item 7.01 Regulation FD Disclosure.**

On October 26, 2023, the Company issued a press release titled "COMPASS Pathways Announces CFO Transition." A copy of the press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

The information contained in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section and shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1#	<a href="#">Separation Agreement dated October 24, 2023 by and between the Company and Michael Falvey.</a>
99.1*	<a href="#">Press Release issued by COMPASS Pathways plc on October 26, 2023.</a>
104	Cover Page Interactive Data File (embedded within the inline XBRL document).

# Indicates a management contract or any compensatory plan, contract or arrangement.

\* Furnished herewith.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMPASS PATHWAYS PLC

Date: October 26, 2023

By: /s/ Matthew Owens  
Matthew Owens  
General Counsel and Chief Legal Officer

October 24, 2023

Mr. Michael Falvey  
5 Pine Ridge Drive  
Mattapoisett, MA 02739  
United States

**Re: Separation Agreement and Release**

Dear Mike:

This letter agreement (this “Agreement”) sets forth the terms and conditions of your mutually agreed separation from employment with COMPASS Pathways, Inc. (“COMPASS” or the “Company”). Your separation from employment with the Company is effective as of November 3, 2023 (the “Last Day of Employment”). Regardless of whether you sign this Agreement, the Company will pay to you the Earned Amounts and the Final Expenses (as those terms are defined in the employment agreement dated as of November 15, 2021 by and between you and COMPASS (the “Employment Agreement”).

This letter will also serve to inform you of the terms of the Separation Payment and benefits which you may receive in connection with your separation from employment with the Company. However, the Company’s offer to pay you the Separation Payment or provide you with any other benefit based upon this Agreement shall expire upon the expiration of the Consideration Period (as that term is defined below).

**AGREEMENT**

In consideration of the mutual covenants and promises set forth in this Agreement, you and the Company agree as follows:

1. Separation Date. The parties acknowledge and agree that (i) your separation from employment with the Company is effective as of the Last Day of Employment; and (ii) the Company has elected to waive any portion of the Notice Period (as that term is defined in the Employment Agreement) that would have otherwise extended beyond the Last Day of Employment. You agree to resign from any subsidiaries on which you serve as a director, including Compass Pathways, Inc, prior to your Last Day of Employment and to assist in the transition of your duties to the interim CFO, particularly with respect to his/her signing of the Company’s Q3 filings and Q3 earnings release. On the Last Day of Employment, the Company shall pay you (a) all base salary payments up to and through the Last Day of Employment, (b) all accrued but unused vacation, and (c) all incurred but unreimbursed business expenses, including (without limitation) reasonable business expenses incurred in your business travel to London in the last month of your employment (collectively, the “Final Payments”).

2. Separation Payment. In consideration for your signing and not revoking this Agreement, the Company agrees that (x) it will pay you a separation payment in a gross amount equal to \$638,000 (the “Separation Payment”), which you acknowledge and agree equals (i) 12 months of your base salary as of the Last Day of Employment, plus (ii) a full bonus for 2023 (which you acknowledge and agree is greater than, and shall therefore take the place of, the Pro Rata Bonus (as that term is defined in the Employment Agreement)), plus (y) (i) 37,500 of your “Option Shares” as provided in that certain Non-Qualified Share Option Agreement for Company Employees Under the Compass Pathways PLC 2020 Share Option and Incentive Plan (the “Plan”) between you and Compass Pathways PLC dated December 6, 2021 (the “Initial Option Share Agreement”) that would have been deemed to be unvested as of the Last Day of Employment will instead be treated as vested for all purposes, (ii) 11,250 of your “Option Shares” as provided in that certain Non-Qualified Share Option Agreement for Company

Employees Under the Plan between you and Compass Pathways PLC dated February 2, 2023 (the “Secondary Option Share Agreement”) that would have been deemed to be unvested as of the Last Day of Employment will instead be treated as vested for all purposes, and (iii) 5,625 of your “Restricted Share Units” as provided in that certain Restricted Share Unit Agreement for Company Employees Under the Plan between you and Compass Pathways PLC dated December 6, 2021 (the “Restricted Share Unit Agreement”) that would have been deemed to be unvested as of the Last Day of Employment will instead be treated as vested for all purposes. Given the foregoing, as of your Last Day of Employment, you acknowledge and agree that, in the aggregate, a total of (i) 106,250 of your “Option Shares” under the Initial Option Share Agreement shall be vested (“Vested Initial Option Shares”), (ii) 19,687 of your “Option Shares” under the Secondary Option Share Agreement shall be vested (“Vested Secondary Option Shares”), (iii) 5,625 of your “Restricted Share Units” under the Restricted Share Unit Agreement shall be vested (“Vested Restricted Share Units”, along with the Vested Initial Option Shares, and Vested Secondary Share Options, the “Vested Equity Awards”), (iv) any other awards issued to you under the Initial Option Share Agreement, Secondary Option Share Agreement, Restricted Share Unit Agreement, and/or the Plan, in any case, are not vested and shall instead be automatically forfeited, and (v) all Vested Equity Awards shall continue to remain subject to the terms and conditions set forth in the Initial Option Share Agreement, Secondary Option Share Agreement, Restricted Share Unit Agreement, and Plan (as applicable). All applicable tax withholding and other lawful deductions will be taken from the gross amount of the Separation Payment. The Separation Payment will be reported to taxing authorities as wage income on an IRS Form W-2 and any applicable state or local equivalent form(s). Subject to the terms and conditions of the Consideration and Revocation Periods set forth below, the Separation Payment will be paid in substantially equal monthly installments, with the first installment to be paid on or during the first scheduled Company pay cycle following the expiration of the Revocation Period.

In addition, the Company’s external accounting provider is currently determining whether a tax return needs to be filed or any taxes are owed outside the United States with respect to your services on behalf of the Company. To the extent that it is later determined by any foreign tax agency that you need to file a return or you owe taxes to any country other than the United States, the Company will pay for your tax filing assistance and indemnify you for any penalties, levies or interest for any purported failure to pay such taxes on a timely basis.

In further consideration for your signing and not revoking this Agreement, the Company agrees to reimburse your reasonable legal fees in connection with the negotiation of this Agreement, not to exceed \$3,000.00, contingent upon you and/or your counsel providing any related documentation as may be reasonably requested by the Company (e.g., a tax form completed by you and/or your counsel).

The parties acknowledge and agree that, except as expressly set forth herein, nothing contained in this Agreement shall be construed as a representation, warranty, or statement, whether direct or implied, by COMPASS regarding your entitlement, if any, to post-employment benefits, including but not necessarily limited to pension, disability, or unemployment insurance benefits, from any entity, organization, or provider, or from any federal, state, or local agency. You acknowledge and agree that, except as expressly set forth herein, neither the Company, nor any employee or agent thereof, has proffered to you, whether in writing or otherwise, any such representations, warranties, or statements, and that you have not relied upon any such representations, warranties, or statements in entering into and performing under this Agreement.

You acknowledge and agree that the COMPASS Releasees (as that term is defined below) have no obligation, except as expressly provided above, with respect to the payment of any of your attorneys’ fees or legal costs, if any, whether in connection with this matter or otherwise. You further acknowledge and agree that you shall protect, indemnify, defend, and hold harmless the COMPASS Releasees from and against any and all liability or claims (including attorneys’ fees and costs to defend against any claim) imposed or asserted, as

applicable, against any of the COMPASS Releasees for their failure to pay any portion of the Separation Payment or any other monies to any attorney who has represented you in connection with your actual, threatened, or potential claims against any of the COMPASS Releasees.

3. COBRA. You may be able to continue your health benefits, if any, under the Company's health plan, at your own expense, pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). You will receive additional information regarding COBRA under separate cover. Your right to continuation coverage at your own expense under the law known as COBRA exists, regardless of whether you enter into this Agreement. Notwithstanding the foregoing, the Company agrees to pay its contribution toward your health insurance through the earlier of (i) 3 November 2024 or (ii) the date you become eligible for insurance through another employer or otherwise become ineligible for COBRA.

4. Consideration. You acknowledge: (i) the sufficiency of the consideration set forth herein for this Agreement generally and specifically for the release of your claims; (ii) that the Company is not, in the absence of this Agreement, otherwise required to provide any such consideration to you; (iii) that such consideration is being provided to you because of your agreement to fulfill the promises and to provide the releases that are stated herein; (iv) that such consideration is in excess of any payment, benefit, or other thing of value to which you might otherwise be entitled from the Company; and (v) that you accept the consideration set forth in this Agreement as adequate and as the full, final, and complete settlement of all possible claims that you have or might have as described in the Release set forth below.

5. No Other Payments, Benefits, or Claims. Except for the payments and benefits set forth herein, all compensation and benefits from the Company ceased or shall cease, as applicable, as of your Last Day of Employment, and no other payment or benefits shall thereafter be made or provided by the Company to you. Except as provided for in and subject to Section 7 of this Agreement, you acknowledge that, except for the payments and benefits set forth herein, you have no entitlement, nor any right, to make any claim for any additional payments, benefits, bonuses, commissions, or compensation of any kind or nature whatsoever from the Company.

6. Release. Except as provided for in and subject to Section 7 of this Agreement, you hereby irrevocably and unconditionally release and forever discharge, for yourself and for your heirs, estate, spouse and child or children (if any), attorneys, representatives, heirs, executors, administrators, successors, assigns, and agents, COMPASS and each of its past and present affiliates, parents, subsidiaries, related companies, co-employers, professional employer organizations, directors, employees, predecessors, and successors, and each of their respective past and present directors, officers, benefit plans, management committees, members, agents, employees, trustees, representatives, attorneys, shareholders, partners, benefit plan fiduciaries and administrators, and assigns, and all persons acting by, through, under, or in concert with any of them, including but not limited to Compass Pathfinder Limited, Compass Pathways PLC, Compass Pathfinder Holdings Limited, and TriNet Group, Inc. (collectively, the "COMPASS Releasees"), from any and all actions, complaints, rights, claims, charges, causes of action, liabilities, costs, and damages, known or unknown, asserted or unasserted, suspected or not, fixed or contingent, and in law or in equity, which you now have, or may ever have had, against any of the COMPASS Releasees, including but not limited to any and all actions, complaints, rights, claims, charges, causes of action, liabilities, costs, and damages concerning, relating to, predicated upon, or arising out of, directly or indirectly, your employment with the Company and/or separation therefrom.

Except as provided for in and subject to Section 7 of this Agreement, this Release expressly includes any and all actions, complaints, rights, claims, charges, causes of action, liabilities, costs, and damages based upon any conduct occurring up to and including, or that have accrued as of, the date that you sign the Agreement (and any obligations or causes of action arising from or predicated upon such claims), including but not limited to any and all claims:

- arising under the Employment Agreement;
- arising under common law, including wrongful or retaliatory discharge, breach of contract, or based upon a violation of public policy;
- sounding in tort, including fraud, conversion, libel, slander, defamation, or intentional infliction of emotional distress;
- arising under the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, the Civil Rights Acts of 1866 and 1867, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Employee Retirement Income Security Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Occupational Safety and Health Act, the Genetic Information Nondiscrimination Act, the Lilly Ledbetter Fair Pay Act of 2009, the Fair Credit Reporting Act, the Family and Medical Leave Act, the Equal Pay Act of 1963, as amended, the Consolidated Omnibus Budget Reconciliation Act, the Rehabilitation Act, Section 1981 of the Civil Rights Act of 1866, the New York State Executive Law, the New York State Human Rights Law, the New York City Administrative Code, the New York City Human Rights Law, the New York Labor Law, the New York Retaliatory Action by Employers Law, the New York State Worker Adjustment and Retraining Notification Act, the New York Nondiscrimination for Legal Actions Law, the New York Wage Theft Prevention Act, the New York City Earned Sick Time Act, the New York City Earned Safe and Sick Time Act, the New York State paid family leave law, the New York Civil Rights Law;
- arising under Massachusetts law, including but not limited to Chapter 151B of the Massachusetts General Laws, the Massachusetts Wage Act and State Overtime Laws, including without limitation G.L. c. 149, § 148, 150 et seq. and G.L. c. 151, §1A, the Massachusetts Equal Pay Act, G.L. c. 149 § 105A and the Massachusetts Paid Family and Medical Leave Law];
- of discrimination, harassment, retaliation, improper wage payment, or any other unlawful employment practice under federal, state, municipal, local, or foreign law;
- arising under any federal, state, municipal, local, or foreign law, rule, or regulation that in any way prohibits discrimination, harassment, retaliation, improper wage payment, or any other unlawful employment practice, or that is in any way related to employment and/or the separation therefrom; and
- arising under any other federal, state, municipal, local, or foreign law, rule, or regulation, including but not limited to civil rights laws, wage-hour, wage-payment, pension, or labor laws, rules, and regulations, constitutions, ordinances, public policy, contract or tort laws, or any other action.

You represent and warrant that you are not presently aware, nor were you ever aware during your employment with the Company, of any violation of any law, rule, or regulation committed by any of the COMPASS Releasees or any grounds, basis, or reason, whether based in fact or law, for any person or entity, including you, to commence, file, initiate, maintain, or prosecute any action, complaint, right, claim, charge, or cause of action against any of the COMPASS Releasees. You further represent and warrant that, as of the date you sign this Agreement, you have never disclosed to any of the COMPASS Releasees any violation of any law, rule, or regulation committed by any of the COMPASS Releasees or any grounds, basis, or reason, whether based in fact or law, for any person or entity, including you, to commence, file, initiate, maintain, or prosecute any action, complaint, right, claim, charge, or cause of action against any of the COMPASS Releasees.



Except as provided for in and subject to Section 7 of this Agreement, you expressly acknowledge that this Agreement is also intended to include in its effect, without limitation, any and all claims which you do not know of or suspect may exist in your favor at the time of execution of this Agreement, and that this Agreement will also extinguish any such claim. The provisions of any laws providing in substance that releases shall not extend to claims which are unknown or unsuspected, at the time of execution, to the person executing such waiver or release, are hereby expressly waived by you.

You also acknowledge and affirm that, except for the payments and benefits set forth herein, you have been fully paid all wages and other compensation owed to you by the Company, including all overtime wages, incentive compensation, expense reimbursement payments, equity compensation (other than as described herein), separation compensation, severance compensation, bonuses, and commissions, and to the extent you ever claim or allege that you have not been fully paid all such wages and other compensation, you hereby waive through this Release any claim you have for wages or compensation of any kind. To the extent any other compensation and/or benefits other than under this Agreement may exist or be claimed to exist for or by you, this Agreement and the consideration hereunder expressly are agreed to and shall constitute an accord and satisfaction of any and all such claims and/or obligations. In addition, you also acknowledge and affirm that, as of the date of your execution of this Agreement, you have been afforded all required periods of family, medical, and other leave, as well as any right to reinstatement upon conclusion of any leave taken. You further acknowledge and affirm that you have no known workplace injuries or occupational diseases. You further acknowledge and agree that, except for the payments and benefits set forth herein, you have been paid all, and are not entitled to any, compensation or benefits under the Employment Agreement.

Except as provided for in and subject to Section 7 of this Agreement, you further acknowledge and understand that you are waiving any right you may have to sue any of the COMPASS Releasees for any of the claims you have released, or to receive any compensation, recovery, monetary relief, damages, settlement, or other individual relief arising as a result of any action, claim, lawsuit, grievance, complaint, or proceeding commenced by anyone else against any of the COMPASS Releasees.

You represent and warrant that you have not, either individually or on a collective basis, commenced, maintained, prosecuted, or participated in any action, claim, lawsuit, grievance, complaint, or proceeding of any kind against any of the COMPASS Releasees in any court or arbitral forum, or before any administrative or investigative body or agency. Further, to the extent that you have, and except as provided for in and subject to Section 7 of this Agreement, you agree that you shall withdraw or dismiss, and shall undertake all measures necessary to effectuate the withdrawal or dismissal of, any such action, claim, lawsuit, grievance, complaint, or proceeding, with prejudice, within five (5) business days following your receipt of the Separation Payment. In the event that you are unable to unilaterally withdraw or dismiss any such action, claim, lawsuit, grievance, complaint, or proceeding, you represent and warrant that you shall request, to the fullest possible extent, the withdrawal or dismissal with prejudice of such action, claim, lawsuit, grievance, complaint, or proceeding. In the event that any action, claim, lawsuit, grievance, complaint, or proceeding is commenced by you or on your behalf, you hereby waive any right to compensation, recovery, monetary relief, damages, settlement, or other individual relief.

Notwithstanding the foregoing, by entering into this Agreement, you are not releasing claims that may not be waived or released as a matter of law, including but not necessarily limited to any claims for enforcement of this Agreement, claims that arise after the date that you sign the Agreement, or any rights or claims you may have to receive workers' compensation or unemployment insurance benefits. Further, nothing in this Agreement shall prevent you (or your attorneys) from exercising your rights under the Older Workers Benefit Protection Act to challenge the validity of your above waiver of claims under the Age Discrimination in

Employment Act of 1967, nor does this Agreement impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by applicable law.

**7. Retention of Rights Regarding Government Agencies.** Nothing in this Agreement is intended to, or shall, limit or interfere, in any way, with your right or ability, under federal, state, or local law, to file or initiate a charge, claim, or complaint of discrimination, or any other unlawful employment practice, that cannot legally be waived, or to communicate, with any federal, state, or local government agency charged with the enforcement and/or investigation of claims of unlawful employment practices, including but not necessarily limited to the U.S. Equal Employment Opportunity Commission and any state or city fair employment practices agency, including by way of example, the Massachusetts Commission Against Discrimination. Further, nothing in this Agreement is intended to, or shall, limit or interfere, in any way, with your right or ability to participate in or cooperate with any investigation or proceeding conducted by any such agency. Further, nothing in this Agreement shall be construed as, or shall interfere with, abridge, limit, restrain, or restrict your (or your attorney's) right, without prior authorization from or notification to the Company, to engage in any activity or conduct protected by Section 7 or any other provision of the National Labor Relations Act; to report possible violations of federal, state, or local law or regulation to any government agency or entity, including but not limited, to the extent applicable, to the U.S. Department of Labor, the Department of Justice, the Securities and Exchange Commission (the "SEC"), the Congress, and/or any agency Inspector General, or make other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation; or to communicate directly with, respond to any inquiry from, or provide testimony before, to the extent applicable, the SEC, the Financial Industry Regulatory Authority, any other self-regulatory organization, or any other federal, state, or local regulatory authority, regarding this Agreement or its underlying facts or circumstances. You and the Company acknowledge and agree that your right and ability to engage and participate in the activities described in this paragraph shall not be limited or abridged, in any way, by any term, condition, or provision of, or obligation imposed by, this Agreement. You and the Company further acknowledge and agree that nothing in this Agreement is intended to deter you from engaging or participating in any of the activities described in this paragraph. To the extent that any term or condition of this Agreement is inconsistent with this paragraph of the Agreement, this paragraph shall supersede and invalidate such term or condition to the extent necessary to ensure that your rights under federal, state, and local law are fully protected and guaranteed. Notwithstanding the foregoing, you understand that the waivers and releases in this Agreement shall be construed and enforced to the maximum extent permitted by law.

However, you also understand and acknowledge that, by signing this Agreement, you have completely waived your right to receive any individual relief, including monetary damages, in connection with any such claim, charge, complaint, investigation, or proceeding, and if you are awarded individual relief and/or monetary damages in connection therewith, you hereby unconditionally assign to the Company, and agree to undertake any and all measures necessary to effectuate such assignment of, any right or interest you may have to receive such individual relief and/or monetary damages. Notwithstanding the foregoing, this Agreement does not limit your right to receive an award for information provided to the SEC.

In addition, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, in the event that you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the trade

**secret to your attorney and use the trade secret information in the court proceeding, if you: (A) file any document containing the trade secret under seal; and (B) do not disclose the trade secret, except pursuant to court order.**

**To the extent that this Agreement conflicts with the federal Speak Out Act (Public Law No: 117-224), said act shall control and supersede the conflicting portion of this Agreement.**

8. Return of Company Property; Expenses. Without limitation of any of your obligations set forth in any agreements or documents, or sections thereof, that survive the execution of this Agreement, you agree that, on or before the Last Day of Employment, you will return all of the Company's property and equipment in your possession or under your control, including but not limited to any and all computers, laptops, computer hardware or software, cell phones, iPhones, iPads, credit cards, keys, manuals, notebooks, financial statements, reports, passwords, company ID's, and any other property of the Company, including any and all copies of Company documents, materials, and information not specifically addressed and relating to you.

Within ten (10) days of your Last Day of Employment, you shall submit to the Company any and all outstanding business expenses you incurred on or before the Last Day of Employment for reconciliation and reimbursement in accordance with the Company's customary procedures.

9. Legal Representation. You acknowledge and represent that you have had ample opportunity to receive the advice of independent legal counsel prior to the execution of this Agreement – and the Company hereby advises you to do so – and ample opportunity to receive an explanation from such legal counsel of the legal nature and effect of this Agreement, that you have fully exercised that opportunity to the extent you desired, and that you fully understand the terms and provisions of this Agreement as well as its nature and effect. You further acknowledge and represent that you are entering into this Agreement completely freely and voluntarily.

10. No Admission of Liability. Nothing contained in this Agreement, nor the fact that the Company has signed this Agreement, shall be considered an admission of any liability or wrongdoing whatsoever by any of the COMPASS Releasees.

11. Confidentiality. Except as provided for in and subject to Section 7 of this Agreement, you agree that you will keep confidential, and will not disclose, disseminate, misappropriate, use, or publicize,

- 1) any non-public information, knowledge, or materials regarding your employment with the Company,
- 2) without limitation of item (1) above, any trade secrets, intellectual property, non-public financial information, or other confidential, proprietary, or privileged business information, knowledge, or materials of or relating to the Company or any other COMPASS Releasee about, for, or from whom you developed or learned of any such information, knowledge, or materials by reason of your employment, or
- 3) any claims or allegations of wrongdoing, or the basis for any such claims or allegations, which were or could have been made or asserted against the Company or any of the COMPASS Releasees,

except that such information may be disclosed: (a) to your accountant, attorneys, domestic partner, and/or spouse (provided they maintain such confidentiality); (b) to the extent necessary

to report income to appropriate taxing authorities; (c) in response to an order of a court of competent jurisdiction or a subpoena issued under authority thereof; (d) in response to any subpoena issued by a state or federal governmental agency; (e) in connection with your application for unemployment benefits, or (f) as otherwise required by law. Further, notwithstanding the foregoing, your obligations pursuant to this Section 11 do not prohibit you from disclosing any of the following: (1) information that has fallen into the public domain, or becomes generally available to the public for a reason, other than your breach of this Agreement; (2) information that the Company expressly authorizes you in writing to use or disclose free from the confidentiality and usage constraints of this Agreement; or (3) information as provided for in Section 7 above.

To the extent that you are subpoenaed by any person or entity (including but not limited to any government agency) to give testimony or produce documents (in a deposition, court proceeding, or otherwise) which in any way relates to your employment by the Company and/or any of the COMPASS Releasees and/or this Agreement, you will, except as provided for in and subject to Section 7 of this Agreement, give prompt notice of such request to Matt Owens, General Counsel & Chief Legal Officer, or his successor at the Company.

The parties acknowledge and agree that this Section 11 of the Agreement shall be in addition to, and shall not be considered or construed as superseding or in conflict with, any other obligation, whether contractual or otherwise, that you owe or may owe to the Company.

12. Mutual Non-Disparagement. Except as provided for in and subject to Section 7 of this Agreement, you agree that you will not, make any false, negative, defamatory, slanderous, libelous, or disparaging comments about, and will refrain from directly or indirectly making any comments or engaging in publicity or any other action or activity which reflects adversely upon, the Company or any of the COMPASS Releasees, including but not necessarily limited to comments or other acts of disloyalty or public criticism regarding your employment with the Company that are maliciously motivated or maliciously untrue. This Non-Disparagement provision (i) applies to comments made verbally, in writing, electronically, or by any other means, including but not limited to blogs, postings, message boards, texts, video, or audio files, and all other forms of communication; but (ii) does not apply to information that you are legally entitled to disclose under applicable law. Likewise, the Company agrees that neither it nor any member of its Board or Executive Team will make any false, negative, defamatory, slanderous, libelous, or disparaging comments about, and will refrain from directly or indirectly making any comments or engaging in publicity or any other action or activity which reflects adversely upon, you or your contributions to the Company, including but not necessarily limited to comments or other acts of disloyalty or public criticism regarding your employment with the Company that are maliciously motivated or maliciously untrue. This Non-Disparagement provision (i) applies to comments made verbally, in writing, electronically, or by any other means, including but not limited to blogs, postings, message boards, texts, video, or audio files, and all other forms of communication; but (ii) does not apply to information that you are legally entitled to disclose under applicable law.

The parties acknowledge and agree that this Section 12 of the Agreement shall be in addition to, and shall not be considered or construed as superseding or in conflict with, any other obligation, whether contractual or otherwise, that you owe or may owe to the Company.

13. Cooperation. Except as provided for in and subject to Section 7 of this Agreement, you agree that you will cooperate with the Company regarding any investigation, or the defense or prosecution of any claims, proceedings, arbitrations, or actions now pending or in existence, or which may be brought in the future, against or on behalf of the Company, which relate to events or occurrences that transpired during your employment with the Company. Your cooperation shall include, but not necessarily be limited to: (i) attending meetings with and truthfully answering questions posed by representatives and/or attorneys of the Company; (ii) providing or producing documents relevant to such claim, proceeding, arbitration, or action, as

applicable, to the extent that such documents are in your possession, custody, or control and as may be requested, from time to time, by representatives and/or attorneys of the Company; (iii) executing truthful and complete declarations or affidavits; and (iv) appearing as a witness at depositions, trials, arbitration hearings, or other proceedings without the necessity of a subpoena and testifying truthfully and completely. The Company agrees to reimburse you for all of your reasonable, out-of-pocket expenses associated with such cooperation, including reasonable travel expenses, in accordance with any applicable Company policy as in effect from time to time, so long as you provide advance written notice of your request for reimbursement and provide satisfactory documentation of the expenses. Nothing in this provision shall be construed or applied so as to obligate you to violate any law or legal obligation. Nothing herein is intended to unduly interfere with your other business or personal activities, and the Company shall use reasonable efforts to ensure any cooperation requested thereby does not unduly interfere with any subsequent employment and, to the extent that such cooperation does unreasonably interfere with your subsequent employment, it will be requested only if, upon a good faith determination by the Company, it is reasonably necessary.

14. Professional References. As it relates to your procurement from COMPASS of a professional reference, COMPASS agrees to provide neutral references upon request, which is to only provide dates of employment and job title(s).

15. No Reemployment. The parties acknowledge and agree that you will not apply for or seek employment or reemployment, as applicable, with the Company or any of its respective parents, partners, affiliates, subsidiaries, related entities, employees, successors, or assigns, now or ever in the future. You acknowledge and agree that none of these entities or individuals will ever be obligated to employ or reemploy you. You further acknowledge and agree that the denial or rejection of any employment or other application or inquiry that you may submit to the Company or any of its respective parents, partners, affiliates, subsidiaries, related entities, employees, successors, or assigns, is expected and permissible, and is not and will not be considered discriminatory, retaliatory, or a breach of any other duty that may be owed to you by the Company or any of the COMPASS Releasees.

16. Entire Agreement; Modification. You and the Company understand, covenant, and agree that, except as expressly set forth herein: (i) this Agreement constitutes the full, complete, and exclusive agreement between you and the Company relating to the matters covered by this Agreement; (ii) there are no other agreements, understandings, covenants, promises, or arrangements between you and the Company relating to the matters covered by this Agreement; (iii) this Agreement supersedes and cancels any and all other agreements, offers, offer letters, understandings, covenants, promises, and arrangements, whether oral or in writing, or express or implied, between you and the Company and/or its employees, agents, or representatives; (iv) in entering into and performing under this Agreement, no party has relied upon any promises or statements except as set forth herein; and (v) this Agreement is binding upon all parties, and their respective heirs, executors, administrators, successors, and assigns.

Notwithstanding the foregoing, you and the Company acknowledge and agree that Sections 3(d) and Sections 4(b) and (c) through 20 of the Employment Agreement (but not Section 4(a)) (collectively, the "Surviving Obligations"), shall survive the execution of this Agreement. You hereby agree that, prior to executing this Agreement, you have reviewed the Surviving Obligations, and by signing below, you hereby enter into the Surviving Obligations again, and such Surviving Obligations are incorporated by reference. You acknowledge you are entering into the Surviving Obligations in connection with the cessation of your employment. You acknowledge and agree that a portion of the Separation Payment is in consideration for your compliance with the Surviving Obligations, and constitutes adequate and sufficient consideration for such compliance, and that you would not have received, and the Company would not have provided you with, the Separation Payment but for your agreement to comply in full with the Surviving Obligations.

The parties acknowledge and agree that no modification of this Agreement shall be valid or binding except through a writing personally executed by you and a duly-authorized representative of the Company, which writing must reference and attach a copy of this Agreement to be effective. Neither e-mail correspondence, text messages, nor any other electronic communications shall constitute a writing for the purposes of this provision of the Agreement.

17. Construction. The parties acknowledge and agree that this Agreement is the product of negotiations between you and the Company, and that the language of this Agreement shall not be presumptively construed either in favor of or against any of the parties.

18. Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party charged with the waiver.

19. Severability. Should any provision of this Agreement be declared illegal or unenforceable by any court, administrative agency, arbitrator, or other entity, the parties agree that said court, administrative agency, arbitrator, or other entity shall possess full discretion to interpret or modify all such provisions to the minimum extent necessary to be declared enforceable. If such interpretation or modification is not possible, such provision shall immediately become null and void, leaving the remainder of the Agreement in full force and effect. However, in the event a court, administrative agency, arbitrator, or other entity finds the release set forth above to be illegal, void, or unenforceable, you agree, at the Company's option, to execute a release, waiver, and/or covenant that is legal and enforceable to effectuate the terms of this Agreement.

20. Successors and Assigns. This Agreement shall not be assignable by you, but shall be binding upon you and upon your heirs, administrators, representatives, executors, and successors. This Agreement shall be freely assignable by the Company without restriction and, without limitation of the foregoing, shall be deemed automatically assigned by the Company with your consent in the event of any sale, merger, share exchange, consolidation, or other business reorganization. This Agreement shall inure to the benefit of the Company, the COMPASS Releasees, and their successors and assigns.

21. Fees and Costs. You and the Company agree that, in the event of litigation relating to this Agreement or its subject matter, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

22. Governing Law. This Agreement shall in all respects be interpreted, enforced, and governed by and in accordance with the internal substantive laws (and not the laws of choice of laws) of the Commonwealth of Massachusetts. Any dispute arising out of or concerning this Agreement shall be resolved in accordance with Section 13 of the Employment Agreement.

23. Further Action. Each party agrees to execute all such further and additional documents and instruments, as shall be necessary or expedient to carry out the provisions of this Agreement, and shall promptly and in good faith undertake all reasonable acts to effectuate the provisions of this Agreement.

24. Section Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

25. Taxes. The parties acknowledge and agree that each party shall be responsible for his, her, or its own taxes, assessments, interest, and penalties determined to be due by any federal, state, or local government agency or other tax authority, court, or tribunal, in connection

with any payment or payments made pursuant to this Agreement, including but not limited to any federal, state, and local income tax withholding, Social Security and Medicare taxes and any other applicable payroll taxes. Furthermore, you agree that you shall protect, indemnify, defend, and hold harmless the Company from and against any and all liability, claims, or audits for any federal, state and local taxes, including but not limited to income tax withholding, Social Security and Medicare taxes and any other employment related taxes, assessments, and any interest, and/or penalties imposed thereon, with respect to any payment or payments made pursuant to this Agreement, and shall reimburse the Company for all legal fees incurred in defending against such liability, claims, or audits. Upon request, you shall provide COMPASS with proof that any payment or payments made pursuant to this Agreement have been properly reported to any applicable federal, state, or local government agency or other tax authority, court, or tribunal, and that all taxes, assessments, interest, and penalties determined to be due have been timely paid. You covenant that you have not relied upon the Company, or any representative or agent thereof, for advice regarding any tax liabilities or tax consequences.

26. Section 409A. Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and applied so that the payment of the termination benefits either (i) shall be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”), and the regulations promulgated thereunder or (ii) shall comply with the requirements of such provision (including the exceptions for short-term deferrals, separation pay arrangements, reimbursements, and in-kind distributions.) In addition, each payment shall be considered a separate payment for purposes of Section 409A.

27. Consideration Period. You have a period of twenty-one (21) calendar days from the date on which you receive this Agreement, to consider this Agreement before signing it (the “Consideration Period”). You may use as much of the Consideration Period as you wish before signing this Agreement, and any material or immaterial changes to the Agreement will not restart the running of the Consideration Period. If the last day of the Consideration Period falls on a Saturday, Sunday, or holiday, then the last day of the Consideration Period shall be deemed to be the next business day. In the event that you do not sign this Agreement prior to the expiration of the Consideration Period (and/or you do not return the signed Agreement to the Company by the first business day following the expiration of the Consideration Period), this Agreement will expire and be rendered null, void, and unenforceable, and you will not be entitled to receive the Separation Payment or any other consideration described herein. Notwithstanding anything to the contrary herein, this Agreement shall not be effective or enforceable unless it is signed by a duly-authorized representative of the Company.

28. Revocation Period. You may revoke your consent to this Agreement for a period of seven (7) business days following your signing of this Agreement (the “Revocation Period”). The parties agree that such revocation shall be effective only if an originally executed written notice of revocation is delivered to COMPASS Pathways, Inc., 44 West 37th Street, 7<sup>th</sup> Floor, New York, NY, 10018, Attention: Anne Benedict, on or before the seventh calendar day after the date you execute this Agreement. This Agreement does not become effective or enforceable until the Revocation Period has expired (without revocation), at which time the Agreement becomes forever binding and fully effective and enforceable. In the event that you revoke this Agreement prior to the expiration of the Revocation Period, this Agreement will be rendered null, void, and unenforceable, and you will not be entitled to receive the Separation Payment or any other consideration described herein.

29. Voluntary Agreement. You acknowledge that you are entering into this Agreement voluntarily and that you have read and understand the provisions of this Agreement. You further acknowledge and understand that, except as provided for in and subject to Section 7 of this Agreement, this Agreement contains a full and final release of all of your claims against the Company and the COMPASS Releasees, as described above. You have the right to consult with an attorney. The Company hereby advises you, again, to consult with an attorney of your choice before signing this Agreement.

30. Counterparts. This Agreement may be executed in one or more counterparts or multiple originals, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument or document. The parties agree that facsimile and electronic signatures shall have the same force and effect as originals thereof.

Please acknowledge your understanding and acceptance of this Agreement by signing below and returning it to me by no later than the first business day following the expiration of the Consideration Period.

Sincerely,

/s/ Anne Benedict  
Anne Benedict  
Chief People Officer

ACKNOWLEDGED AND AGREED:

/s/ Michael Falvey

\_\_\_\_\_  
Signature

Michael Falvey  
Name

Dated: October 24, 2023



## COMPASS Pathways announces CFO transition

London, UK – October 26, 2023

COMPASS Pathways plc (Nasdaq: CMPS) (“COMPASS” or the “company”), a biotechnology company dedicated to accelerating patient access to evidence-based innovation in mental health, today announced that Mike Falvey, Chief Financial Officer, will depart the company on November 3, 2023, to pursue other opportunities. Mary-Rose Hughes, current Vice President of Finance at COMPASS, will assume the role of interim CFO effective today. COMPASS has begun a search to select a permanent Chief Financial Officer.

“On behalf of the Board and the company, we thank Mike for his leadership and the many contributions he made during his tenure at COMPASS,” said Kabir Nath, Chief Executive Officer of COMPASS Pathways. “He played a vital role in our recently completed private placement, which both extended the company’s cash runway beyond expected key phase 3 top-line clinical data readouts and brought leading biotech investors into our shareholder base. We wish Mike continued success in his future endeavours.”

Ms. Hughes joined COMPASS as its second finance team employee in May 2020. She has deep knowledge of COMPASS’s business and has led the creation and operation of the company’s financial operations, treasury, tax, financial planning and analysis, and external reporting. She played a key role in COMPASS’s IPO, follow-on public equity offering, term loan facility, and private placement financing. Prior to joining COMPASS, Ms. Hughes began her career in public accounting with Ernst and Young and was Head of Financial Reporting for Veolia UK & Ireland. She earned her LLB in Law at Queen’s University, Belfast and her ACA qualification from Chartered Accountants, Ireland.

### **About COMPASS Pathways**

COMPASS Pathways plc (Nasdaq: CMPS) is a biotechnology company dedicated to accelerating patient access to evidence-based innovation in mental health. Our focus is on improving the lives of those who are suffering with mental health challenges and who are not helped by current treatments. We are pioneering the development of a new model of psilocybin therapy, in which our proprietary formulation of synthetic psilocybin, COMP360, is administered in conjunction with psychological support. COMP360 has been designated a Breakthrough Therapy by the U.S. Food and Drug Administration (FDA) and has received Innovative Licensing and Access Pathway (ILAP) designation in the UK for treatment-resistant depression (TRD). We have commenced a phase 3 clinical program of COMP360 psilocybin therapy in TRD, the largest randomized, controlled, double-blind psilocybin therapy clinical program ever conducted. Previously, we completed a phase 2b study with top line data showing a statistically significant ( $p < 0.001$ ) and clinically relevant improvement in depressive symptom severity after three weeks for patients who received a single 25mg dose of COMP360 psilocybin with psychological support. We are also conducting phase 2 clinical studies of COMP360 psilocybin therapy for

post-traumatic stress disorder (PTSD) and anorexia nervosa. COMPASS is headquartered in London, UK, with offices in New York and San Francisco in the United States. Our vision is a world of mental wellbeing. [www.compasspathways.com](http://www.compasspathways.com).

### **Forward-looking statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. In some cases, forward-looking statements can be identified by terminology such as “will”, “may”, “might”, “could”, “would”, “should”, “expect”, “intend”, “plan”, “objective”, “anticipate”, “believe”, “contemplate”, “estimate”, “predict”, “potential”, “continue” and “ongoing,” or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. Forward-looking statements include express or implied statements relating to, among other things, our expectations regarding our financial position, funding requirements and cash runway, COMPASS’s expectations regarding its plans for a new Chief Financial Officer and COMPASS’s expectations regarding its COMPASS’s pivotal phase 3 program or other trials to support regulatory filings and approvals. The forward-looking statements in this press release are neither promises nor guarantees, and you should not place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties, and other factors, many of which are beyond COMPASS’s control and which could cause actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements.

These risks, uncertainties, and other factors include, among others: market risks and other market conditions; the hiring market and timing for the Company to find a new Chief Financial Officer; clinical development is lengthy and expensive process with uncertain outcomes, and therefore our clinical trials may be delayed or terminated and may be more costly than expected; we will require substantial additional funding to achieve our business goals and if we are unable to obtain this funding when needed and on acceptable terms, we could be forced to delay, limit or terminate our product development efforts; our efforts to obtain marketing approval from the applicable regulatory authorities in any jurisdiction for COMP360 or any future product candidates may be unsuccessful; establishing, maintaining, defending and enforcing our patents and other intellectual property rights covering our investigational COMP360 psilocybin therapy may be challenging and costly and our efforts to protect our patents and other intellectual property rights may be unsuccessful; our efforts to commercialize and to obtain coverage and reimbursement for our investigational COMP360 psilocybin therapy, if approved, may be unsuccessful; our ability to successfully manage senior management changes; economic and geopolitical uncertainties and those risks and uncertainties described under the heading “Risk Factors” in COMPASS’s most recent annual report on Form 10-K or quarterly report on Form 10-Q and in other reports we have filed with the U.S. Securities and Exchange Commission (“SEC”), which are available on the SEC’s website at [www.sec.gov](http://www.sec.gov). Except as required by law, COMPASS disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this press release in the event of new information,

future developments or otherwise. These forward-looking statements are based on COMPASS's current expectations and speak only as of the date hereof.

**Enquiries:**

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