
**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): August 30, 2018

Agios Pharmaceuticals, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-36014

(Commission File Number)

26-0662915

(IRS Employer Identification No.)

88 Sidney Street, Cambridge, MA

(Address of Principal Executive Offices)

02139

(Zip Code)

Registrant's telephone number, including area code: (617) 649-8600

(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 (*see* General Instruction A.2. below):

- 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))

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.

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

On September 4, 2018, Agios Pharmaceuticals, Inc. (the “Company”) announced that David P. Schenkein, M.D. will resign from the position of President and Chief Executive Officer and will assume the role of Executive Chairman, effective February 1, 2019. Jacquelyn A. Fouse, Ph.D. will be appointed as the Company’s Chief Executive Officer, effective February 1, 2019. Each of Drs. Schenkein and Fouse will continue to serve on the Company’s Board of Directors (the “Board”).

Dr. Fouse, age 57, has served as a member of the Board since December 2017. Dr. Fouse has served as Executive Chair of Dermavant Sciences, a biopharmaceutical company, since July 2017. From September 2010 until June 2017, Dr. Fouse served in various capacities at Celgene Corporation, a biopharmaceutical company, serving as Strategic Advisor to the Management Executive Committee from April 2017 to June 2017, President and Chief Operating Officer from March 2016 to March 2017, President, Hematology and Oncology from August 2014 to February 2016, Executive Vice President and Chief Financial Officer from February 2012 to July 2014, and Senior Vice President and Chief Financial Officer from September 2010 to February 2012. Prior to joining Celgene, Dr. Fouse served as Chief Financial Officer of Bunge Limited, a global agribusiness and food company, from 2007 to 2010. Prior to joining Bunge, Dr. Fouse served as Senior Vice President, Chief Financial Officer and Corporate Strategy at Alcon Laboratories, Inc. since 2006, and as its Senior Vice President and Chief Financial Officer since 2002. Prior to her time with Alcon she held a variety of senior leadership roles with international companies. Dr. Fouse is also a director of Incyte Corporation and Dick’s Sporting Goods, Inc. and was a director of Perrigo Company from November 2012 to April 2016 and a director of Celgene Corporation from February 2016 until June 2017. Dr. Fouse earned a B.A. and an M.A. in Economics and a Ph.D. in Finance from the University of Texas at Arlington.

There are currently no arrangements or understandings between Dr. Fouse and any other person pursuant to which Dr. Fouse will be appointed as Chief Executive Officer. There are currently no transactions in which Dr. Fouse has an interest requiring disclosure under Item 404(a) of Regulation S-K.

In connection with her appointment as Chief Executive Officer, on August 30, 2018 the Company entered into an employee offer letter agreement with Dr. Fouse, effective February 1, 2019 (the “Fouse Offer Letter”), providing for the terms of her employment, including (i) an annual base salary of \$725,000; (ii) an annual target bonus equal to 65% of her base salary; (iii) a one-time grant of an option to purchase shares of the Company’s common stock with a Black-Scholes value of \$14 million, based on the closing price of the Company’s common stock on the Nasdaq Global Select Market (the “Closing Price”) on the date of grant, provided that the number of shares covered by the option shall not be equal to or greater than 0.6% of the Company’s total outstanding shares on the date of grant, with such option exercisable at a price per share equal to the Closing Price on the date of grant, which shall vest as to 25% of the underlying shares on February 1, 2020 and as to the remaining shares on a monthly basis thereafter; (iv) a one-time grant of performance share units, the number of which will be determined by dividing \$2.3 million by the Closing Price on the date of grant, each unit representing a contingent right to receive one share of the Company’s common stock upon the achievement of a specified performance milestone; and (v) severance benefits in accordance with the Company’s Severance Benefits Plan. The foregoing description of the Fouse Offer Letter does not purport to be complete and is qualified in its entirety by the full text of the Fouse Offer Letter, a copy of which will be filed with the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2018.

In connection with his appointment as Executive Chairman, on August 30, 2018 the Company entered into an amended and restated employee offer letter agreement with Dr. Schenkein, effective February 1, 2019 (the “Schenkein Offer Letter”), providing for the modified terms and conditions of his employment, including (i) an annual base salary of \$175,000; (ii) a pro-rated bonus in respect of the period of time in 2019 that he remains Chief Executive Officer of the Company; (iii) a one-time grant of an option to purchase shares of the Company’s common stock with a Black-Scholes value of \$1.96 million, based on the Closing Price on the date of grant, exercisable at a price per share equal to the Closing Price on the date of grant, which shall vest as to 25% of the underlying shares on the first anniversary of the date of grant and as to the remaining shares on a monthly basis thereafter; (iv) a one-time grant of restricted stock units, the number of which will be determined by dividing \$490,000 by the Closing Price on the date of grant, each unit representing a right to receive one share of the Company’s common stock, which shall vest in equal annual installments on the first, second and third anniversaries of the date of grant; (v) for any calendar year after 2019 during which he serves as Executive Chairman, an annual grant of equity awards with an aggregate value equal to 35% of the aggregate value of equity awards made in the ordinary course in such year to the then

current Chief Executive Officer; and (vi) severance benefits in accordance with the Company's Severance Benefits Plan, unless his employment ends for any reason effective as of either February 1, 2020 or February 1, 2021. The foregoing description of the Schenkein Offer Letter does not purport to be complete and is qualified in its entirety by the full text of the Schenkein Offer Letter, a copy of which will be filed with the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018.

Item 8.01 Other Events.

The full text of the press release announcing the Company's entry into the Fouse Offer Letter and Schenkein Offer Letter is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibits are included in this report:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued September 4, 2018.

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.

Date: September 5, 2018

AGIOS PHARMACEUTICALS, INC.

By: /s/ David P. Schenkein
David P. Schenkein, M.D.
President and Chief Executive Officer



AgiOS Announces Chief Executive Officer Succession Plan

- David Schenkein, M.D., Agios Long-Time Chief Executive Officer, to Become Executive Chairman, Effective February 1, 2019 -

- Jacquelyn Fouse, Ph.D., to Succeed Dr. Schenkein as Chief Executive Officer -

CAMBRIDGE, Mass., September 4, 2018 – Agios Pharmaceuticals, Inc. (NASDAQ:AGIO), a leader in the field of cellular metabolism to treat cancer and rare genetic diseases, today announced that effective February 1, 2019, David Schenkein, M.D., will transition to the role of executive chairman of the board of directors and serve as a member of the board’s Science & Technology Committee, after a successful decade-long tenure as chief executive officer. Jacquelyn (“Jackie”) Fouse, Ph.D., a member of the company’s board, has been named as Agios’ next chief executive officer.

Prior to joining Agios’ board in December 2017, Dr. Fouse served as president and chief operating officer of Celgene Corporation, a global biopharmaceutical company, until April 2017, and as a member of its board through June 2017. Dr. Fouse joined Celgene in 2010 as chief financial officer and was named president of the company’s global hematology and oncology franchise in 2014. Prior to joining Celgene, Dr. Fouse served as chief financial officer of Bunge Limited, a leading agribusiness and food company. Earlier in her career, she held senior roles at Alcon Laboratories and various international companies.

Dr. Schenkein has served as Agios’ chief executive officer since 2009. During this time, he has overseen the evolution of Agios from a pure research organization to a fully integrated biopharmaceutical company with two approved medicines from its discovery engine, three additional molecules in clinical development and a robust research pipeline.

“With the recent approval and launch of our second internally discovered medicine, Agios has demonstrated that it is capable of discovering, developing and commercializing precision medicines. After leading the company for nearly 10 years, the board and I believe now is the right time to begin this transition. Having worked closely with Jackie for several years and as a member of our board, I am confident that she is the right person to build on the strong foundation we’ve established,” said Dr. Schenkein. “It has been a privilege to lead Agios from a blank piece of paper to a thriving biopharmaceutical company with a science-focused culture that puts patients at the center of everything we do. I look forward to continuing my engagement with the company as executive chair and working with Jackie and the leadership team over the next several months to ensure a smooth transition.”

John Maraganore, Ph.D., chairman of the Agios board of directors, said, “Jackie’s appointment as CEO is the result of a thoughtful succession planning process jointly undertaken by David and the board. Jackie brings extensive global leadership experience, a proven track record and tremendous knowledge of our industry. Throughout her career, Jackie has demonstrated the



ability to effectively plan for and successfully execute on clinical and commercialization strategies, which will be essential as the company works to further its transition to a sustainable multi-product company. On behalf of the entire board of directors, I want to thank David for his extraordinary leadership and his unwavering commitment to patients during his tenure. Under David's leadership, Agios has become a recognized leader in cellular metabolism with demonstrated ability to rapidly translate novel biology into precision medicines in areas of high unmet need. Agios will continue to benefit from David's scientific and clinical expertise as part of his new role as executive chairman of the board."

"Agios is well positioned to become one of the next great science-focused companies in our industry, and I am honored to succeed David as the company's next CEO," said Dr. Fouse. "I greatly admire David's leadership in addition to the high-performance track record and enviable culture that he and the Agios team have built. Together with the leadership team and all of Agios' employees, I look forward to building on this strong foundation and continuing our pace of innovation and execution. Importantly, I bring a shared commitment to culture, science and patients."

With Dr. Schenkein transitioning to the role of executive chairman effective February 1, 2019, Dr. Maraganore will transition to a director of the Agios board at that time, and Dr. Fouse will remain a member of the board.

About Agios

Agios is focused on discovering and developing novel investigational medicines to treat cancer and rare genetic diseases through scientific leadership in the field of cellular metabolism. In addition to an active research and discovery pipeline across both therapeutic areas, Agios has two approved oncology precision medicines and multiple first-in-class investigational therapies in clinical and/or preclinical development. All Agios programs focus on genetically identified patient populations, leveraging our knowledge of metabolism, biology and genomics. For more information, please visit the company's website at www.agios.com.

Forward-Looking Statement

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those regarding: the expected benefits of Agios' chief executive officer succession plan; Agios' discovery, development and commercialization capabilities; and Agios' competitive position, strategic plans and focus. The words "anticipate," "believe," "could," "estimate," "expect," "hope," "intend," "may," "milestone," "path," "plan," "possible," "potential," "predict," "prepare," "project," "strategy," "will," "would," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Such statements are subject to numerous important factors, risks and uncertainties that may cause actual events or results to differ materially from Agios' current expectations and beliefs. For example, there can be no guarantee that any product candidate Agios or its collaborator, Celgene, is developing will successfully commence or complete necessary preclinical and clinical development phases, or that development of any of Agios'



product candidates will successfully continue. Moreover, there can be no guarantee that the two approved oncology precision medicines being commercialized by Agios and its collaborator Celgene will receive commercial acceptance. There can be no guarantee that any positive developments in Agios' business will result in stock price appreciation. Management's expectations and, therefore, any forward-looking statements in this press release could also be affected by risks and uncertainties relating to a number of other important factors, including: Agios' results of clinical trials and preclinical studies, including subsequent analysis of existing data and new data received from ongoing and future studies; the content and timing of decisions made by the U.S. FDA and other regulatory authorities, investigational review boards at clinical trial sites and publication review bodies; Agios' ability to obtain and maintain requisite regulatory approvals and to enroll patients in its planned clinical trials; unplanned cash requirements and expenditures; competitive factors; Agios' ability to obtain, maintain and enforce patent and other intellectual property protection for any product candidates it is developing; Agios' ability to maintain key collaborations, such as its agreements with Celgene and CStone Pharmaceuticals; and general economic and market conditions. These and other risks are described in greater detail under the caption "Risk Factors" included in Agios' public filings with the Securities and Exchange Commission. Any forward-looking statements contained in this press release speak only as of the date hereof, and Agios expressly disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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