

SKYE BIOSCIENCE, INC.
COMPENSATION COMMITTEE CHARTER

I. Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Skye Bioscience, Inc. (the “Company”) to: (a) assist the Board in discharging its responsibilities relating to compensation of the Company’s directors, Chief Executive Officer (“CEO”) and other executive officers; and (b) produce an annual report on executive officer compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations. The Committee shall undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company’s bylaws and by applicable law.

II. Committee Membership

Committee members (each, a “Member” and collectively, the “Members”) shall be elected by the Board at the annual meeting of the Board of Directors and shall serve until their respective successors are duly elected and qualified. Committee Members may be removed at any time by the Board.

The Committee shall consist of no fewer than two Members. The following membership requirements shall also apply:

1. each Member must be “independent” as defined in NASDAQ Listing Rule 5605(a)(2);
2. each Member shall not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries other than (i) fees received as a member of the Committee, the Board or any other committee of the Board or (ii) the receipt of fixed amounts of compensation under a retirement plan for prior service to the Company (provided that such compensation is not contingent in any way on continued service); and
3. each Member shall meet the definition of a “non-employee director” under Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Act”).

III. Structure and Meetings

The Committee shall conduct its business in accordance with this Charter, the Company’s bylaws and any direction by the Board. The Committee 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 the majority of the full Committee. In the event of a tie vote on any issue, the chairperson’s vote shall decide the issue.

The Committee shall meet from time to time at a place determined by the Committee chairperson. A majority of the appointed Members, but not less than two (2) Members, shall constitute a quorum for the transaction of business. The Committee shall approve matters by the affirmative vote of a majority of the Members of the Committee. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

The Committee chairperson will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The chairperson of the Committee (or other member designated by the chairperson or the Committee in the chairperson's absence) shall regularly report to the full Board on its proceedings and any actions that the Committee takes. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Corporation.

Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all Members consent thereto in writing or via electronic transmission and the same are filed with the minutes of the proceedings of the Committee. The Committee may form and delegate authority to subcommittees when appropriate.

As necessary or desirable, the chairperson of the Committee may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at meetings of the Committee, consistent with the maintenance of confidentiality of compensation discussions. The CEO should not be present during voting or deliberations on the CEO's compensation.

IV. Committee Authority and Responsibilities

The Committee shall:

- a. Review and approve the Company's compensation programs and arrangements applicable to its officers (as defined in Rule 16a-1(f) of the Act), including without limitation salary, incentive compensation, equity compensation and perquisite programs, and amounts to be awarded or paid to individual officers under those programs and arrangements, or make recommendations to the Board regarding approval of the same. In evaluating executive compensation, the Committee will consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Act. Without limiting the generality of the foregoing, the Committee shall review and approve all other employment-related contracts, agreements or arrangements between the Company and its officers and all other contracts, agreements or arrangements under which compensatory benefits are awarded or paid to, or earned or received by, the Company's officers, including, without limitation, employment, severance, change of control and similar agreements or arrangements.

- b. Determine the objectives of the Company's executive officer compensation programs, identify what the programs are designed to reward, and modify (or recommend that the Board modify) the programs as necessary consistent with such objectives and intended rewards.
- c. Ensure appropriate corporate performance measures and goals regarding executive officer compensation are set and determine the extent to which they are achieved and any related compensation earned.
- d. Annually review and establish the Company's goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives, and, determine and approve, or recommend to the Board (as directed by the Board), the CEO's compensation level based on this evaluation to the extent not otherwise determined by an existing employment agreement or arrangement approved by the Board and/or the Committee. In determining the long-term incentive component of the CEO's compensation, the Committee will consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, the awards given to the Company's CEO in past years, and the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Act.
- e. Administer the Company's incentive-compensation plans and equity-based plans as in effect and as adopted from time to time by the Board, to the extent such administration is not delegated, in whole or part, to any other committee of the Board or officers of the Company or otherwise retained by the Board.
- f. Review and approve any new equity compensation plan or any material change to an existing plan where stockholder approval has not been obtained.
- g. Review and approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory (including NASDAQ) requirement, or otherwise determined to be appropriate or desirable by the Committee or Board.
- h. Review and discuss with the Company's management the "Compensation Discussion and Analysis" to the extent required to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC, and recommend to the Board whether or not to include such "Compensation Discussion and Analysis" in such proxy statement or annual report.
- i. Produce a Committee report on executive officer compensation to the extent required to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
- j. Review all director compensation and benefits for service on the Board and Board committees and recommend changes to the Board as necessary.

- k. Perform such other functions and have such other powers consistent with this Charter, the Company's bylaws and applicable law as the Committee or the Board may deem appropriate.

V. Performance Evaluation

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee shall also perform an evaluation of its own performance periodically, which shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other Member of the Committee designated by the Committee to make this report.

VI. Committee Resources

The Committee shall be empowered, without the approval of the Board or management, to engage and compensate such independent legal, accounting and other advisors and consultants ("Compensation Advisors") as it deems necessary or desirable to carry out its duties. In selecting Compensation Advisors other than in-house legal counsel, the Committee shall consider the independence factors set forth in Rule 10C-1(b)(4)(i)-(vi) of the Act. To the extent required by the rules of NASDAQ, unless the Company is otherwise exempt from such rules, the Committee shall have the sole authority to retain, obtain the advice of, and terminate any Compensation Advisor and shall have the authority to approve any Compensation Advisor's fees and other retention terms. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for payment of: a) compensation to any Compensation Advisor retained by the Committee; and b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

VII. Disclosure of Charter

This Charter will be made available on the Company's website.

As revised [____], 2024