

NEXGEL, INC.

COMPENSATION COMMITTEE CHARTER

This Compensation Committee Charter (this “*Charter*”) sets forth the purpose and membership requirements of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of NexGel, Inc. (the “*Company*”) and establishes the authority and responsibilities delegated to it by the Board.

1. Purpose

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the review and determination of executive and director compensation.

2. Committee Membership

The Committee shall consist of two or more directors. Each member of the Committee shall (i) be independent in accordance with the rules of the NASDAQ Stock Market (“*NASDAQ*”), (ii) qualify as a “non-employee director” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”) and (iii) to the extent relevant, qualify as an “outside director,” as defined in Section 162(m) of the Internal Revenue Code. The members of the Committee shall be appointed by the Board based on recommendations from the Nominating and Corporate Governance Committee of the Board, or its equivalent. The members of the Committee shall be appointed for terms as the Board may determine and shall serve until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause. Vacancies occurring on the Committee shall be filled by the Board.

3. Delegation to Subcommittee

The Committee may, in its discretion, form and delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee consisting of one or more members or to one or more designated members of the Committee.

4. Advisors

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

Prior to engaging any such advisor, the Committee shall consider whether the advisor is independent, using such factors as the Committee shall consider appropriate, including the factors set forth in

applicable NASDAQ listing rules and regulations promulgated by the Securities and Exchange Commission. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

5. Responsibilities

5.1. CEO Performance and Compensation

The Committee shall annually (i) review and approve or make recommendations to the Board regarding the corporate goals and objectives applicable to the compensation of the chief executive officer (“*CEO*”), (ii) evaluate the CEO’s performance in light of those goals and objectives and (iii) and approve or make recommendations to the Board regarding the CEO’s compensation level based on this evaluation. In determining or making recommendations regarding the long-term incentive component of CEO compensation, the Committee may consider, among other things, the Company’s performance and relative stockholder return, the value of similar incentive awards given to CEOs at comparable companies and the awards given to the Company’s CEO in past years. In evaluating and determining or making recommendations regarding CEO compensation, the Committee shall, to the extent required, consider the results of the most recent stockholder advisory vote on executive compensation (“*Say on Pay Vote*”) required by Section 14A of the Exchange Act. The CEO cannot be present during any voting or deliberations by the Committee on his or her compensation.

5.2. Executive Compensation

The Committee shall review and approve or make recommendations to the Board regarding the compensation of all other executive officers. In evaluating and determining or making recommendations regarding executive compensation, the Committee shall, to the extent required, consider the results of the most recent Say on Pay Vote.

5.3. Oversight of Equity-Based and Incentive Compensation Plans

The Committee shall review and approve and, when appropriate, recommend to the Board for approval, incentive compensation plans and equity-based plans, and where appropriate or required, recommend such plans for approval by the stockholders of the Company, which includes the ability to adopt, amend and terminate such plans. The Committee shall also have the authority to administer the Company’s incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan.

5.4. CD&A

If required or desired to be included in the Company’s Annual Report on Form 10-K and proxy statement, the Committee shall review and discuss with management the Company’s Compensation Discussion and Analysis (“*CD&A*”) and the related executive compensation information and recommend that the CD&A and related executive compensation information be included in the Company’s Annual Report on Form

10-K and proxy statement. To the extent required, the Committee shall produce the compensation committee report on executive officer compensation required to be included in the Company's proxy statement and Annual Report on Form 10-K.

5.5. Risk Assessment

The Committee shall review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation and evaluate compensation policies and practices that could mitigate any such risk.

5.6. Say on Pay Frequency

To the extent required, the Committee shall review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.

5.7. Director Compensation

The Committee shall review all director compensation and benefits for service on the Board and Board committees at least once a year and shall recommend any changes to the Board as necessary.

5.8. Employment Agreements and Severance Arrangements

The Committee shall review and approve and, when appropriate, recommend to the Board for approval, any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers, which includes the ability to adopt, amend and terminate such agreements, arrangements or plans.

5.9. Stock Ownership Guidelines

The Committee shall, as necessary or appropriate, determine stock ownership guidelines for the CEO and other executive officers and monitor compliance with such guidelines.

5.10. Employee Benefit Plans

The Committee shall review and approve and, when appropriate, recommend to the Board for approval, all employee benefit plans for the Company, which includes the ability to adopt, amend and terminate such plans.

6. Meetings of the Committee

6.1. Chairperson

The Board shall designate one member of the Committee as the chairperson (the "*Chairperson*") to preside at each meeting. In the Chairperson's absence, the Committee members present may designate an acting chairperson.

6.2. Meetings

The Committee shall meet regularly at such times and places as it deems necessary to fulfill its responsibilities. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

Minutes of each meeting of the Committee shall be kept to document its proceedings.

7. Reports and Assessments

7.1. Board Reports

The Chairperson of the Committee shall report from time to time to the Board on Committee actions and on the fulfillment of the Committee's responsibilities under this Charter.

7.2. Performance Evaluation; Charter Review

The Committee shall conduct an evaluation of the Committee's performance at least annually. The evaluation shall address subjects including the Committee's composition, responsibilities, structure and processes, and effectiveness. The Committee shall review and reassess the adequacy of this Charter annually. The Committee shall, as appropriate, make recommendations to management or the Board as a result of its performance evaluation and review of this Charter.