

**NUVECTIS PHARMA, INC.**  
**COMPENSATION COMMITTEE CHARTER**

**I. Purpose**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Nuvectis Pharma, Inc. (the “Company”) shall be to: (1) assist the Board in the discharge of its fiduciary responsibilities with respect to determining the overall compensation of the Chief Executive Officer, the Chairman of the Board (“the Chairman”), and other executive officers of the Company; (2) review and discuss with the Company’s management the Compensation Discussion and Analysis (the “CD&A”) to be included in the Company’s annual proxy statement, and determine whether to recommend that the CD&A be included in the Company’s proxy statement; and (3) produce an annual report on executive compensation for including in the Company’s proxy statement in accordance with applicable rules and regulations of the Securities Exchange Commission (the “SEC”). In performing its function, it shall be the objective of the Committee to approve compensation programs that are designed to: (1) encourage superior performance, accountability and adherence to the Company’s values and code of ethical conduct; (2) promote a direct relationship between compensation and the Company’s performance; and (3) serve the long-term best interests of the Company.

The Committee, as delegated by the Board, shall have the authority to undertake the specific duties and responsibilities as set forth in this Compensation Committee Charter, as the Committee or the Board deems necessary or appropriate, and such other duties consistent with the Company’s Bylaws and governing law. The Committee shall have the authority to delegate its functions to a subcommittee thereof.

**II. Membership**

The Board shall appoint the members of the Committee and shall serve until their successors are appointed and qualify. The Committee shall be composed of at least two (2) members of the Board, one of whom shall be designated by the Board as the Chairman. Each member of the Committee shall: (1) meet the independence requirements of the Nasdaq Stock Market, including without limitation the specific requirements of NASDAQ Rule 5605(d)(2) for Committee members; (2) be a “non-employee director” within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); (3) be an “outside director” under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), and (4) be otherwise free from any relationship that, in the judgment of the Board, would interfere with his or her exercise of business judgment as a Committee member. The Committee members must not accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company or any subsidiary thereof other than: (1) fees received as a member of the Committee, the Board, or any other committee of the Board; and (2) fixed amounts of compensation received pursuant to a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service).

In determining whether a director is eligible to serve on the Committee, the Board also must consider whether the director is affiliated with the Company, a subsidiary of the Company

or an affiliate of a subsidiary of the Company to determine whether such affiliation would impair the director's judgment as a member of the Committee. The Board may, at any time, remove one or more directors as members of the Committee with or without cause. The Board may designate one or more members of the Board as alternative members of the Committee, who may replace any absent or disqualified member or members at any meetings of the Committee. Notwithstanding anything to the contrary in this charter, if permitted by applicable SEC and stock exchange laws and regulations in effect from time to time, the Board may appoint one or more members to the Compensation Committee that do not meet the aforementioned requirements for independence.

### **III. Authority and Responsibilities of the Committee**

In furtherance of the purpose, the Committee has the authority and responsibility for:

1. Assessing the overall compensation structure of the Company, selecting an appropriate peer group, and periodically reviewing executive compensation in relation to this peer group.
2. Reviewing and approving corporate goals and objectives relating to the compensation of the chief executive officer (the "CEO"), evaluating the performance of the CEO in light of the goals and objectives, and making appropriate recommendations for improving performance. The Committee shall establish the compensation of the CEO based upon such evaluation. In performing the foregoing functions, the Chairman may solicit comments from the other members of the Board, other than the CEO. Final determinations regarding the performance and compensation of the CEO will be conducted in an executive session of the Committee and be reported by the Chairman to the entire Board during an executive session of the Board.
3. Reviewing and recommending compensation plans for all other executive officers of the Company, evaluating the responsibilities and performance of other executive officers, and making appropriate recommendations for improving performance.
4. Reviewing and recommending policies to the Board regarding minimum retention and ownership levels of the Company's common stock by executive officers of the Company.
5. Reviewing, recommending to the Board, and administering all executive compensation programs, including, but not limited to, incentive and equity-based plans of the Company. The Committee shall have and shall exercise all the authority of the Board with respect to administering such plans, including approving amendments thereto.
6. Reviewing on an annual basis the potential risk to the Company from its compensation programs and policies, including any incentive plans, and whether such programs and policies incentivize unnecessary and excessive risk taking.
7. Reviewing all employee benefit plans for the Company, which includes the ability to adopt, amend and terminate such plans.

8. Reviewing and discussing with the Company's management the CD&A to be included in the Company's annual proxy statement and determining whether to recommend that the CD&A be included in the Company's proxy statement.
9. Producing an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations of the SEC.
10. Overseeing succession planning for senior management of the Company.
11. Reviewing and recommending to the Board for approval of the frequency in 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 on the Exchange Act, and reviewing and approving 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.
12. Conducting an annual evaluation of the performance and effectiveness of the Committee.
13. Reviewing and reassessing the adequacy of the Committee's charter on an annual basis and submitting any recommended changes to the Board for its consideration.
14. Performing such other functions and having such other powers as may be necessary or convenient in the efficient discharge of the foregoing.
15. Performing any other activities required by applicable law, rules or regulations, including the rules of the SEC and any exchange or market on which the Company's capital stock is traded, and performing other activities that are consistent with this charter, the Company's certification of incorporation and bylaws, and governing laws, as the Committee or the Board deems necessary or appropriate.

#### **IV. Meetings and Procedures**

The Committee shall meet at least four (4) times a year. The majority of the members of the Committee shall constitute a quorum.

In addition, the Committee shall have direct access to Company staff personnel to solicit data and advice in connection with the Committee's review of management compensation practices and policies, and leadership development processes.

The Committee shall maintain written minutes of its meetings. Minutes of each meeting of the Committee shall be distributed to each member of the Committee and other members of the Board. The Secretary of the Company shall retain the original signed minutes for filing with the corporate records of the Company. The Chairman shall report to the Board following meetings of the Committee, and as otherwise requested by the Chairman of the Board.

No executive may be present during voting or deliberations of the Committee with respect to his or her own compensation.

## **V. Outside Advisors**

In discharging its responsibilities, the Committee shall have sole authority, in its sole discretion and as it deems appropriate, to select, retain, obtain the advice of, or replace, as needed, a compensation consultant, independent legal counsel and other outside compensation adviser to provide independent advice to the Committee. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel and other adviser retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee. The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration factors relevant to each adviser's independence from management, including the factors specified in the NASDAQ listing standards; however, the Committee may select, or receive advice from, any compensation adviser it prefers, including ones that are not independent, after considering the relevant independence factors.