KRYSTAL BIOTECH, INC.

COMPENSATION COMMITTEE CHARTER

I. Purpose

The Compensation Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Krystal Biotech, Inc. (together with its subsidiaries, 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; (b) produce an annual report on executive officer compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations; and (c) oversee the Company's compensation-related risks and the Company's compensation, incentive, and equity-based plans, programs, and policies. 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 appointed by the Board and shall serve at the discretion of the Board. Committee Members may be removed at any time by the Board.

The Committee shall consist of no fewer than two (2) Members. The following membership requirements shall also apply:

1. each Member must be "independent" as defined in Rule 5605(a)(2) of the Nasdaq Stock Market LLC ("Nasdaq");

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 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 as deemed necessary by the Committee and 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 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, 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 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 in paper or electronic form, which minutes will be maintained with the books and records of the Company.

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 or to its chairperson, in each case when appropriate. Subject to applicable law, rules and regulations and the organizational documents of the Company, the Committee shall also have the authority to delegate to the CEO the authority to make and administer equity or other incentive awards to employees who are not directors or executive officers of the Company.

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 cannot be present during voting or deliberations by the Committee on the CEO's compensation.

The Committee shall meet periodically in executive session without members of management present and may meet separately with the Company's management or any Compensation Advisor as the Committee deems appropriate.

IV. Committee Authority and Responsibilities

The Committee shall:

a. Review and approve the Company's compensation programs and arrangements, including without limitation salary, incentive compensation, equity compensation, and perquisite programs.

b. Determine the objectives of the Company's compensation programs, identify what the programs are designed to reward, and modify the programs as necessary consistent with such objectives and intended rewards.

c. Ensure appropriate corporate performance measures and goals regarding compensation for the CEO and other "officers" (as defined in Rule 16a-1(f) of the Act) 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 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. Annually review and approve the compensation of all officers other than the CEO. In evaluating and determining compensation for such officers, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Act.

f. Review and approve all employment-related contracts, agreements, or arrangements between the Company and its CEO and other 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 CEO and other officers, including, without limitation, severance, change of control, and similar agreements or arrangements.

g. Review, at least annually, the Company's incentive compensation arrangements to determine whether they encourage excessive or inappropriate risk-taking, evaluate the compensation-related risks arising from the Company's compensation policies and practices for all employees, and administer the Company's incentive-compensation plans and equity-based plans, to the extent such administration is not delegated, in whole or part, to the CEO in accordance with this Charter and subject to the provisions of each plan.

h. Adopt, amend, and terminate any incentive compensation plans and equity compensation plans and where appropriate or required, recommend for approval by the stockholders of the Company. In reviewing and approving incentive compensation plans and equity compensation plans, including whether to adopt, amend, or terminate any such plans, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Act.

i. 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.

j. 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 U.S. Securities and Exchange Commission ("SEC") and recommend to the Board whether or not to include such "Compensation Discussion and Analysis" in such proxy statement or annual report.

k. 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.

l. Annually review and assess all compensation, including cash and equity-based compensation, awarded by the Company to its directors who are not employees or officers of the Company ("Non-Employee Directors"). In connection with such review and assessment, the Committee shall:

- Annually engage an independent compensation consultant (the "Independent Consultant") to advise the Committee in connection with such annual review and assessment, including with respect to (i) the amount and type of Non-Employee Director compensation, and (ii) any comparative data deemed appropriate by such Independent Consultant (including peer group data); and

- Recommend to the Board, on the basis of such annual review and assessment, the amount and type of compensation payable to the Non-Employee Directors.

m. 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 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.

n. Administer and oversee the Company's Executive Incentive Compensation Recoupment Policy in accordance with Nasdaq's rules and Rule 10D-1 under the Act.

o. 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. Charter Review and 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 review and assess the performance and effectiveness of the Committee periodically.

VI. Committee Resources

The Committee shall be empowered, without the approval of the Board or management, to engage and compensate the Independent Consultant annually and such other independent legal, accounting, and other advisors and consultants (collectively, "Compensation Advisors") as it deems necessary or desirable to carry out its duties. In selecting Compensation Advisors other than in-house legal counsel, prior to any such retention or advice, the Committee must consider the independence factors set forth in Rule 10C-1(b)(2), (3), and (4)(i)-(vi) of the Act and any other applicable factors under Nasdaq rules. The Committee shall assess, prior to engagement and at least annually thereafter, the independence of each Compensation Advisor by considering the independence factors described above, and shall evaluate whether any Compensation Advisor retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K adopted by the SEC. 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, oversee, 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 July 30, 2026