



## 22nd Century Group, Inc. Compensation Committee Charter

### 1. AUTHORITY AND PURPOSE

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The Board of Directors (“Board”) of 22nd Century Group, Inc., (“XXII” or the “Company”) has established the Compensation Committee (the “Committee”) to (i) discharge the Board’s responsibilities relating to the compensation of the Company’s Chief Executive Officer (“CEO”) and other executive officers and (ii) provide oversight of the Company’s executive compensation plans, policies, and programs.

### 2. COMPOSITION

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#### 2.1 Chair

On an annual basis, the Board, upon the recommendation of the Governance and Nominating Committee, will appoint a Chair of the Committee. The Board may also appoint a member as Committee Vice Chair to act when the Chair is unavailable. The Chair will preside over and conduct Committee meetings or designate another Committee member to do so in the absence of the Chair and Vice Chair.

#### 2.2 Members

The Committee shall be comprised of three directors, or such other number as determined by the Board. All Committee members shall be “independent,” under the rules and listing standards (“Nasdaq Rules”) of the Nasdaq Stock Market (“Nasdaq”) and shall meet such other qualifications as the Board shall deem appropriate. The Board may replace or remove Committee members at any time, with or without cause. Directors of XXII sign a Conflict of Interest policy and its principles and application shall extend to all work such director does for Board committees.

### 3. OPERATIONS

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#### 3.1 Committee Meetings

The Committee will hold at least four regular Committee meetings per year and shall meet at such other times as the Chair of the Committee, the Chair of the Board or a majority of the Committee members deem necessary and appropriate, which meetings shall be called and held pursuant to the provisions of the Company’s Bylaws. Meetings may include any participants the Committee deems appropriate and will be of sufficient duration and scheduled at such times as the Committee deems appropriate to discharge its duties. The Committee will allow for independent and separate discussions with management and other resources as deemed necessary to ensure candid and open communication. Attendance at any Committee meeting may be in-person, telephonic or via-internet enabled video conferencing.

### **3.2 Committee Decisions**

Committee meetings require the presence of a quorum (at least one half of the members) and Committee actions require a majority vote of all members present. Unless Company policies or legal requirements provide otherwise, the Committee may also take action without a meeting upon receipt of unanimous written consent.

### **3.3 Agendas and Meeting Materials and Minutes**

Members may suggest agenda topics to the Chair. The Chair will circulate an agenda and meeting materials sufficiently in advance of Committee meetings to allow for appropriate preparation and review by members. The Committee may establish such rules as it determines necessary or proper to conduct Committee business which are not contrary to XXII's Bylaws, Corporate Governance Guidelines, policies or legal requirements.

### **3.4 Assistance from Management, Third Parties and Subcommittees**

The Committee will have reasonable access to, and complete and open communication with, the Company's management and access to XXII's corporate records relevant to the Committee's duties.

The Committee may form and delegate to one or more subcommittees all or any portion of the Committee's authority, duties, and responsibilities as appropriate and in accordance with applicable law, regulation or Nasdaq Rules.

In addressing Committee business, the Committee may seek advice and assistance from and, if permitted under applicable laws and Nasdaq Rules, may delegate authority to, Company employees and third parties, including advisers and consultants. The Committee may seek, in its sole discretion and authority, appropriate third-party expert advice and approve the related fees and terms.

The Committee shall be directly responsible for the appointment, compensation and oversight of any compensation consultant, independent legal counsel, and other adviser retained by the Committee. The Committee shall be provided with appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its 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 the fulfillment of its duties under this Charter. Prior to selecting or receiving advice from compensation consultants or other advisors, the Committee shall consider factors relevant to their independence from management as specified in Rule 10C-1(b)(4) under the Securities Exchange Act of 1934, as amended, and applicable Nasdaq Rules.

## **4. DUTIES AND RESPONSIBILITIES**

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### **4.1 Committee Meetings**

In furtherance of the Committee's purpose, and in addition to any other responsibilities or duties that may be properly assigned by the Board from time to time, the Committee shall have the following responsibilities and duties:

#### **Compensation and Benefit Program:**

- Review and approve, in consultation with management, the compensation and human resources policies of the Company generally.
- Annually review, and make recommendations to the Board for approval of, the corporate goals and objectives relevant to the CEO, evaluate the CEO's performance in light of those goals and objectives, and, based on this evaluation, approve the CEO's overall compensation levels, including annual base salaries, short- and long-term incentive awards and opportunities, and perquisites or other personal benefits, except to the extent such benefit policies or programs apply to Company employees generally. The CEO may not be present during voting or deliberations on his or her compensation.
- Annually review and approve, the compensation of the Company's executive officers, including annual base salaries, short- and long-term incentive awards and opportunities, and perquisites or other personal benefits, except to the extent such benefit policies or programs apply to Company employees generally and the applicable performance goals and objectives of each executive officer.
- Review and make recommendations to the Board regarding, or approve, incentive-compensation plans and equity-based plans for executive officers and oversee the implementation and administration of such plans.
- Review and recommend to the Board the compensation of non-executive Board members.
- Authorize all grants of stock options and restricted stock awards under the Company's equity incentive plans under Section 16(b) of the Securities Exchange Act of 1934 for all executive officers.
- Administer the Company's equity compensation plans, and grant awards under such plans, with the authority to delegate all or part of such responsibilities to one or more subcommittees, including management members, to the maximum extent permitted by applicable laws.
- Oversee the administration of the Company's employee benefits plan.
- Periodically and as and when appropriate, review and approve any employment and severance arrangements with the Company's executive officers which shall be reviewed and approved by the Board.

## **Compliance and Governance:**

- Review and discuss with management the Compensation Discussion and Analysis required to be included in the Company's proxy statement and annual report on Form 10-K and prepare the annual Compensation Committee Report on Executive Compensation to be included in the Company's proxy statement.
- Consider the results of advisory votes on executive compensation and the frequency of such votes.
- At least annually, evaluate the Company's performance in the areas of diversity, equity and inclusion in the Company's workforce and make recommendations to the Board on strategies for improving the Company's diversity, equity, and inclusion, as appropriate.
- Conduct evaluations on the independence of the Committee's advisors as required by applicable law, regulation or Nasdaq Rule and consider the factors set forth in such rules and any other factors the Committee deems relevant to the advisor's independence from management, prior to selecting or receiving advice from such advisor.
- Oversee regulatory compliance with respect to compensation matters.

## **5. CHARTER**

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### **5.1 Review**

At least annually, the Committee shall review and assess the adequacy of this Charter and recommend changes to the Board for approval. At least annually, review and evaluate the performance of the Committee.

**Amended and Restated January 2023**