# DermTech, Inc. Stock Ownership Guidelines

#### **Purpose**

The Compensation Committee of the Board of Directors (the "Board") believes that DermTech Inc. ("DermTech" or the "Company") Directors, Executive Officers, and Vice Presidents ("Participants") should own significant DermTech stock to further align their interests with those of shareholders. As such, the following stock ownership guidelines reflect a belief in the long-term sustained performance of the Company.

#### Guidelines

# Stock Ownership

	The guideline is to own the minimum of:	
Position	Value of shares	Number of shares
Chief Executive Officer	4x annual base salary	175,000
Directors	3x annual cash retainer	16,000
Executive Officers*	2x annual base salary	50,000
Vice Presidents other than	1.5x annual base salary	33,000
Executive Officers		

<sup>\*</sup>As defined by the SEC

 Stock Ownership may include common shares owned directly by the Participant, owned indirectly by the Participant (e.g. by minor children, held beneficially in a trust, or held in other legal entities in which the Participant has voting power of the shares), shares invested in a 401(k) plan or deferred compensation plan maintained by DermTech, inthe-money vested stock options or vested restricted stock units.

### Accumulation

• Participants will have 5 years from his or her initial election or appointment to meet these guidelines.

#### Holding

• Until a Participant meets his or her ownership level, an annual holding requirement will apply in which he or she will not be permitted to sell more than 50% of his or her total holdings of vested stock, after tax. Excluded from this requirement are shares sold to fund tax liabilities associated with the receipt or vesting of Company equity awards.

# **Evaluation Date**

Compliance with these guidelines will be evaluated annually by the Compensation
 Committee based on Stock Ownership as of the last day of the calendar year.

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# Calculation Methodology

- The value of the Participant's holdings is based on the greater of (i) the average closing price of a share of the Company's stock for the final quarter of the previous calendar year or (ii) the closing price of the Company's stock on the last trading day of the calendar year.
- The value of the Participant's stock ownership requirement is based on his or her then current cash retainer or base salary and will be recalculated whenever the Participant receives an increase in cash retainer or base salary.

# **Administration & Oversight**

The Compensation Committee of the Board has authority to administer these guidelines. Upon the request of a Participant, the Compensation Committee may grant a waiver of these guidelines in consideration of a personal circumstance. In the event of non-compliance with these guidelines, the Compensation Committee has discretion to reduce future grants to any Participant or prohibit any sales of Company stock until minimum ownership is met and maintained.

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The Compensation Committee will review these guidelines periodically and make recommendations to the Board for modifications as necessary.

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