

CHARTER  
FOR THE COMPENSATION COMMITTEE OF  
THE BOARD OF DIRECTORS,  
LIGAND PHARMACEUTICALS INCORPORATED

Purpose

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Ligand Pharmaceuticals Incorporated (the “Company”) is charged with the following functions:

1. To establish and review at least annually the Company’s compensation policies applicable to the Company’s Chief Executive Officer, President and other executive officers, including the relationship of the Company’s performance to executive compensation generally, and to the Chief Executive Officer’s and President’s compensation in particular, and the basis for the Chief Executive Officer’s and President’s compensation.
2. To review and approve the level of compensation (including salaries, fees, benefits, incentive plans, and perquisites) of the Chief Executive Officer and President, and the other executive officers of the Company.
3. To review and advise the Board concerning the performance of the Chief Executive Officer and President and those other employees whose compensation is within the review jurisdiction of the Committee.
4. To review and recommend the level of compensation appropriate for Directors of the Company and the chairs of the standing committees of the Board of Directors.
5. To review and advise the Board concerning both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company’s executive compensation programs among comparable companies.
6. To administer the stock compensation plan(s) that may be adopted by the Company from time to time, including the determination of the parties who are to receive grants of stock or stock options and the amount and terms of such grants.
7. To review and advise the Board concerning new benefit plans including bonus, pension and profit sharing plans and substantial amendments to existing bonus or benefit plans for executive officers of the Company.
8. To perform such other functions and have such other powers as may be necessary or appropriate to the efficient discharge of the foregoing functions.

9. To report to the Board regarding the foregoing from time to time, or whenever it shall be called upon to do so.

#### Membership & Meetings

The Committee shall consist of at least three Directors, a majority of whom are outside directors of the Company. Committee members who are employed by the Company shall not vote on matters concerning their own compensation. The Board shall determine the number of members and shall appoint and remove the members. The Committee may act at regular or special meetings or by unanimous written consent.

Regular meetings of the Committee ordinarily coincide with regular Board meetings, but the Committee shall set the time and place of such meetings as it deems appropriate. Special meetings of the Committee may be called by the Board, the Chairman of the Board, the President or any Committee member(s). Reasonable notice of the time and place of all meetings shall be given to the Committee members in writing by fax, email, regular mail or courier effective upon receipt, but in no event less than 48 hours prior to the meeting. Notice may be waived at the relevant meeting, or at any time in writing. Meetings may be held in person or by telephonic or video conference.

#### Reports

The Committee shall maintain a record of its actions. The Committee shall report to the Board of Directors on any matter that the Committee deems necessary or desirable for the Board to carry out its duties. The Committee shall be responsible for the preparation of any reports on executive compensation required by law or requested by the Board.