

## Governance Subcommittee

### Mission Statement

~~The ICOC Governance Subcommittee reviews language and makes comments upon policies related to management of the ICOC and the California Institute for Regenerative Medicine. The Subcommittee's corporate governance responsibilities involve making recommendations on the CIRM mission statement and core principles, organizational chart and strategic plan, compensation policy and contracting policies; working with the CIRM President to establish goals for CIRM management; and monitoring the achievement of these goals to optimize performance. The Governance Subcommittee will, on an annual basis conduct a Board Survey to gather board input on board matters, including frequency of meetings, involvement in subcommittees, etc. The Governance Subcommittee's recommendations shall be considered by the board at regular ICOC meetings. The Governance Subcommittee shall make regular reports back to the ICOC, as appropriate.~~

The Governance Subcommittee reviews language and makes comments upon policies related to management of the ICOC and the Institute. The Subcommittee's corporate governance responsibilities involve (i) making recommendations on the Institute's compensation policy and contracting policies; (ii) working with the President to establish goals for the management of the Institute; and (iii) monitoring the achievement of these goals in order to optimize performance; **(iv) evaluating the performance of the Chair, Vice Chair, and President and making recommendations regarding their compensation to the ICOC; and (v) recommending a compensation policy for Patient Advocate and Nurse members for the time spent in preparation for, and participation in, institute, working group, and ICOC meetings.** The Governance Subcommittee's recommendations shall be considered by the ICOC. The Governance Subcommittee shall make regular reports back to the ICOC, as appropriate.

### Evaluation Process for Chair, Vice-Chair and CEO/President

1. On an annual basis, the Subcommittee will present its recommendations for performance objectives and deliverables for the Chair, the Vice Chair~~(s)~~, and the President to the Board for consideration and approval.
2. Based on the approved performance objectives and deliverables, the Governance Subcommittee shall, on an annual basis, conduct a preliminary evaluation of the Chair, the Vice Chair~~(s)~~, and the President. This preliminary evaluation shall include an opportunity for the Chair, the Vice Chair~~(s)~~, and the President to meet with the Governance Subcommittee in closed session to discuss their respective performances. The Subcommittee shall prepare draft reports of its evaluation of the Chair, the Vice Chair~~(s)~~, and the President and shall present the draft reports to the Board, as set forth in Paragraph 3.
3. On an annual basis, the Chair, the Vice-Chair~~(s)~~, and the President shall each meet with the Board in closed session to discuss their performance and their objectives for the next year.

After excusing the individual who is the subject of the evaluation, the Board shall continue to meet in closed session to discuss the performance of that individual. At that time, the Subcommittee shall present its draft report for that individual, along with any written response to the draft report from the individual who is the subject of the report, to the Board for discussion and consideration. After the Board completes its evaluation of the individual who is the subject of the performance review, two members of the Board (as specified in paragraph 4, below) shall communicate the results of the Board's performance evaluation to the individual who is the subject of the evaluation.

4. The Chair of the Governance Subcommittee and another member of the Board designated by the Board shall communicate the results of the Board's performance evaluation of the Chair to the Chair. The Chair of the ICOC and the Chair of the Governance Subcommittee shall communicate the results of the Board's performance evaluation of the Vice-Chair(s) to the respective Vice-Chair(s). The Chair and Co-chair of the Governance Subcommittee shall communicate the results of the Board's performance evaluation of the President to the President.

5. Based on its evaluation of the performance of the Chair, Vice-Chair, and President, the Governance Subcommittee will recommend any compensation adjustment for these officers on an annual basis.