

## **Charter**

### **Corporate Governance Committee**

#### **Status**

The Corporate Governance Committee is a committee of the Board of Directors.

#### **Membership**

The Corporate Governance Committee shall consist of three or more directors all of whom, in the judgment of the Board of Directors, shall be independent in accordance with New York Stock Exchange listing standards.

#### **Purpose**

The Corporate Governance Committee is responsible for considering and making recommendations to the Board concerning the appropriate size, functions and needs of the Board. The Corporate Governance Committee may, at its sole discretion, engage director search firms and has the sole authority to approve the fees and other retention terms with respect to any such firms. The Corporate Governance Committee also has the authority, as necessary and appropriate, to consult with other outside advisors to assist in its duties to the Company.

#### **Responsibilities**

The Corporate Governance Committee's responsibilities include:

- Developing and recommending to the Board the criteria for Board membership. Candidates are selected for, among other things, their integrity, independence, diversity of experience, demonstrated leadership, and the ability to exercise sound judgment. Criteria considered include business experience, scientific and medical expertise, prior government service at policy making levels, and leadership in education, technology and other areas relevant to the Company's global business.
- considering, recruiting and recommending candidates to fill new positions on the Board;
- reviewing candidates recommended by shareholders;
- conducting the appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates; and
- recommending Director nominees for approval by the Board and election by the shareholders.

The Committee's additional functions include:

- to consider questions of possible conflicts of interest of Board members and of senior executives;
- to monitor and recommend the functions of the various committees of the Board;

- to recommend members and chairs of the committees;
- to consider and make recommendations concerning appropriate size and needs of the Board;
- to advise on changes in Board compensation;
- to make recommendations on the structure of Board meetings;
- to consider matters of corporate governance and to review, at least annually, our Corporate Governance Principles;
- to consider, and review periodically, Director Qualification Standards;
- to review, periodically, our policy regarding the adoption of a Shareholder Rights Plan;
- to establish Director retirement policies;
- to review the functions of senior officers and to make recommendations on changes;
- to review and approve transactions with any related persons in accordance with the Related Person Transaction Approval Policy;
- to review annually with the Chief Executive Officer the job performance of elected corporate officers and other senior executives;
- to review the outside activities of senior executives;
- to review periodically with the Chief Executive Officer the succession plans relating to positions held by elected corporate officers, and to make recommendations to the Board with respect to the selection of individuals to occupy these positions;
- to oversee the evaluation of the Board and its committees;
- to prepare an annual performance evaluation of the Corporate Governance Committee and annually evaluate the adequacy of its charter;
- to maintain an informed status on Company issues related to corporate social responsibility, public policy and philanthropy, and the Company's participation and visibility as a global corporate citizen; and
- to monitor emerging issues potentially affecting the reputation of the pharmaceutical industry and the Company.

## **Meetings**

The Corporate Governance Committee shall meet at least four times each year and at such other times as it deems necessary to fulfill its responsibilities. The Corporate Governance Committee shall report regularly to the Board of Directors with respect to its activities and make recommendations to the Board of Directors as appropriate.