

# **CYTOKINETICS, INCORPORATED**

## **CORPORATE GOVERNANCE GUIDELINES**

(Revised as of February 12, 2020)

The corporate governance standards established by the Board of Directors (the “Board”) of Cytokinetics, Incorporated (the “Company”) provide a structure within which directors and management can effectively pursue the Company’s objectives for the benefit of its stockholders. To that end, the Board adopted the following Corporate Governance Guidelines as of the date set forth above.

### **Index**

- I The Principal Functions of the Board of Directors.
- II Board Structure and Composition.
- III Board Operations and Meetings.
- IV Board Interaction with Third Parties.
- V Committees.
- VI Director Compensation.

## **I. The Principal Functions of the Board of Directors.**

### **To Review and Approve the Company's Strategic Direction and Annual Operating Plan and Monitor the Company's Performance:**

The fundamental role of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. It is the Board's duty to oversee the Chief Executive Officer and other senior management in the competent and ethical operation of the Company, including management's establishment and implementation of appropriate practices and policies with respect to areas of potentially significant risk to the Company.

The Board seeks to meet at least once a quarter.

Annually, the Board reviews and approves yearly goals, operating plans and strategies as required for the Company. On an ongoing basis during the year, the Board monitors the Company's performance.

The Board stays abreast of political, accounting, legal, regulatory and economic trends and developments that the Board believes will directly impact the Company's strategic direction.

### **To Evaluate the Chief Executive Officer:**

The Chief Executive Officer meets with the Compensation and Talent Committee of the Board (the "Compensation and Talent Committee") to develop appropriate goals for the next year, which are then discussed with the entire Board. At year end, the Compensation and Talent Committee shall obtain information from the Board and management to evaluate the performance of the Chief Executive Officer in meeting those goals.

### **To Review Management Performance and Compensation:**

The Compensation and Talent Committee evaluates the compensation plans, policies and programs for officers (as that term is defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934, as amended, the "Officers") and other employees to ensure they are appropriate, competitive and properly reflect the Company's objectives and performance.

The Compensation and Talent Committee annually reviews and approves the compensation, including equity compensation, for the Chief Executive Officer and the Officers.

### **To Review Management Succession Planning:**

The Board plans for succession to the position of Chief Executive Officer as well as certain other senior management positions as appropriate for the Company's size and stage of development, and reviews succession recommendations that are submitted to the Board by the Compensation and Talent Committee from time to time.

### **To Advise and Counsel Management:**

Advice and counsel to management is provided in formal meetings of the Board and committees of the Board and through informal, individual director's contacts with the Chief Executive Officer and other members of management.

The Board is composed of individuals whose knowledge, background, experience and judgment are valuable to the Company.

The information needed for the Board's decision-making generally will be found within the Company, and members of the Board have full access to management and other employees, as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of management.

### **To Monitor and Manage Potential Conflicts of Interests of Management, Board Members and Stockholders:**

General: It is the Board's responsibility to oversee management to ensure that there is no abuse of corporate assets, unlawful related party transactions or other conflicts of interest.

If a director believes that he or she may have an actual or potential conflict of interest, the director shall promptly inform the Chair of the Nominating and Governance Committee of the Board (the "Nominating and Governance Committee") and the Company's Chief Executive Officer. The Board will take appropriate steps to identify the actual or apparent conflicts of interest and ensure that all directors voting on an issue are disinterested with respect to that issue. Each director will recuse himself or herself from any discussion or decision so found to affect his or her personal, business or professional interests.

Related Party Transactions: All members of the Board must inform the Audit Committee of the Board (the "Audit Committee") of all types of transactions between them (directly or indirectly) and the Company, prior to their conclusion, even if such transactions are in the ordinary course of business. The Audit Committee shall review and, if acceptable, approve all related party transactions for which Audit Committee approval is required by applicable law or the Nasdaq Listing Rules.

Service on Other Boards/Advisory Committees: Directors must inform the Board of their service on:

- (i) other companies' boards of directors, and
- (ii) advisory committees where the director believes that service on such committee may create an actual, potential or perceived conflict of interest with the Company's interests.

Directors should notify the Chair of the Nominating and Governance Committee and the Chief Executive Officer prior to accepting an invitation to serve on a public or private company board of directors or an advisory committee as described above to permit the Nominating and Governance Committee to evaluate the relationship for a potential conflict of interest as necessary. Where the reporting director is the Chair of the Nominating and Governance

Committee or the Chief Executive Officer, the matter will be referred to the Nominating and Governance Committee for evaluation.

**To Ensure the Integrity of Financial Information:**

The Audit Committee oversees the integrity of the Company's accounting and financial reporting systems and the audit of the Company's annual financial statements by the independent auditors, and ensures that appropriate systems of control are in place. The Audit Committee reports to the Board on a regular basis and the Board, upon the recommendation of the Audit Committee, takes such actions as are necessary to ensure the integrity of the Company's accounting and financial reporting systems and that appropriate controls are in place.

**To Monitor the Effectiveness of the Governance Practices under which the Board Operates and Make Changes as Needed:**

The Nominating and Governance Committee shall periodically review and evaluate the effectiveness of the governance practices under which the Board operates and make changes to such practices as needed.

**II. Board Structure and Composition.**

**Selection and Evaluation of Board Candidates:**

The Board shall have a majority of directors who meet the criteria for independence established by applicable law, including the Sarbanes-Oxley Act of 2002, the Nasdaq Listing Rules and the rules and regulations of the Securities and Exchange Commission.

The Nominating and Governance Committee considers and recommends changes in the then-current size of the Board. The Board may consider expanding its size to accommodate outstanding candidates.

The Nominating and Governance Committee recommends all nominees for membership on the Board, including (i) the slate of director nominees to be proposed by the Board to the Company's stockholders for election, and (ii) any director nominees to be elected or appointed by the Board to fill interim director vacancies on the Board. The Nominating and Governance Committee also reviews any director nominees submitted by stockholders of the Company.

The Nominating and Governance Committee will annually review and evaluate the Board's performance and effectiveness.

**Orientation of New Directors:**

New directors should participate in an orientation process that includes presentations and materials regarding the Company's business and operations and meetings with key personnel.

### **Directors Continued Education:**

The Board believes that ongoing education is important for maintaining a current and effective Board. Accordingly, the Board encourages directors to participate in ongoing education and consider, from time to time, more formal director education programs as may be necessary to provide the Board member with the appropriate knowledge and expertise, taking into account the Board member's prior and ongoing experience serving on other boards of directors.

### **Selection of Chair and Chief Executive Officer:**

The Board may select, at its discretion, a chairman (the "Chairman"). The Board's current policy is that the roles of the Chairman of the Board and Chief Executive Officer should be held by different individuals, except in unusual circumstances as determined by the Board. In cases where the Board determines it is in the best interests of the Company's stockholders to combine the positions of Chairman and Chief Executive Officer or to otherwise designate a Chairman who is not an independent director, the Board shall appoint a lead independent director (a "Lead Outside Director").

The Chief Executive Officer has overall responsibility for all aspects of operations, while the Chairman has a greater focus on governance of the Company. The Role of the Chairman includes establishing the agenda for Board and independent director meetings, coordinating with committee chairs, presiding over executive session/independent director meetings. The role of the Chairman shall have a focus on the governance of the Company, including oversight of the Board.

### **Term:**

The Company's Certificate of Incorporation, as amended, provides that the Company's directors shall be divided into three classes, with each such class being equal in size or as nearly equal in size as is practicable, with the classes of directors serving for staggered three-year terms.

The Board does not believe it should establish term limits, because the Board believes that directors, who have developed increasing insight into the Company and its operations over time, provide an increasing contribution to the Board as a whole.

### **Director Resignation Policy:**

It is the Company's policy that any nominee for director in an uncontested election who does not receive a majority of the votes cast (i.e., receives a greater number of votes "withheld" from his or her election than votes "for" in such election) shall submit his or her offer of resignation for consideration by the Nominating and Governance Committee. The Nominating and Governance Committee shall consider all of the relevant facts and circumstances and recommend to the Board the action to be taken with respect to such offer of resignation. The Board will then act on the Nominating and Governance Committee's recommendation. Promptly following the Board's decision, the Company will disclose that decision and an explanation of such decision in a filing with the Securities and Exchange Commission and a press release.

### **III. Board Operations and Meetings.**

The Board usually meets at least once a quarter but may meet more often if necessary.

The items on the agenda are typically recommended by the Chief Executive Officer and reviewed and discussed and revised as warranted by the Chairman or Lead Outside Director in consultation with the Board and management. Any director may request that an item be included on the agenda.

Generally, members of the Board receive information in advance of meetings of the Board so they will have an opportunity to prepare for discussion of the items at the meeting. Information may include summaries, reports and other materials prepared by management and/or third parties.

At meetings of the Board, ample time is scheduled to assure full discussion of important matters. Management presentations are scheduled to permit sufficient Board meeting time to be available for discussion and comments.

Members of the Board are expected to prepare for and participate in all meetings of the Board and applicable meetings of committees of the Board. Each member of the Board is expected to ensure that other commitments do not materially interfere with the member's service as director. To facilitate participation, directors may attend in person, via telephone conference or via video-conference.

The Board's policy is to have a separate meeting time for the independent directors at least twice annually.

The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

### **IV. Board Interaction with Third Parties.**

#### **Board Access to Management:**

After providing notice to the Company's Chief Executive Officer, members of the Board shall have complete access to the Company's management and employees. Furthermore, the Board encourages the management to, from time to time, bring managers into meetings of the Board who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

#### **Board Interaction with Other Parties:**

The Board believes that management speaks for the Company.

Individual members of the Board may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected

that members of the Board would do so with the knowledge of the Chairman or Lead Outside Director, and Chief Executive Officer, and in most instances, at the request of senior management.

## **V. Committees.**

The Board has the following four standing committees: an Audit Committee, a Compensation and Talent Committee, a Nominating and Governance Committee, and a Science and Technology Committee (the “Science and Technology Committee”).

All of the members of the Audit Committee, the Compensation and Talent Committee, and the Nominating and Governance Committee will meet the criteria for independence established by the Nasdaq Listing Rules and applicable law, including the rules and regulations of the Securities and Exchange Commission. The members of these committees will also meet any other membership criteria specified in the respective charters of such committees.

Members of the Audit Committee, the Compensation and Talent Committee and the Science and Technology Committee are identified and recommended by the Nominating and Governance Committee for appointment by the Board. Members of the Nominating and Governance Committee are appointed by the members of the Board who are independent as determined in accordance with the Nasdaq Listing Rules.

Each of the Audit Committee, the Compensation and Talent Committee, the Science and Technology Committee and the Nominating and Governance Committee has its own charter. Such charters set forth the policies and responsibilities of the respective committees in addition to the qualifications for membership on such committees.

The chair of each committee of the Board will, in consultation with appropriate committee members and members of management, and in accordance with the committee’s charter, determine the frequency and length of committee meetings and develop the committee’s agenda.

The Board and each committee of the Board shall have the authority to obtain advice, reports or opinions from internal and external counsel and expert advisers and shall have the power to hire independent legal, financial and other advisers as they may deem necessary, without consulting with, or obtaining approval from, management of the Company in advance.

The Board may, from time to time, form new committees as it deems appropriate.

## **VI. Director Compensation.**

The Compensation and Talent Committee will annually review in consultation with management and outside consultants and recommend to the Board for its approval the compensation for members of the Board in accordance with the Compensation and Talent Committee’s charter.

Approved February 12, 2020