

**REATA PHARMACEUTICALS, INC.**

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE  
OF THE BOARD OF DIRECTORS**

**CHARTER**

**As Approved and Adopted by the Board of Directors  
October 15, 2015**

**I. Purpose**

The Board of Directors (the “Board”) of Reata Pharmaceuticals, Inc. (the “Company”) has established the Nominating and Corporate Governance Committee (the “Committee”) of the Board. The purpose of the Committee is to assist the Board with its responsibilities to:

1. develop criteria for, and identify individuals qualified to become, Board members and recommend to the Board the director nominees for election at the annual meetings of stockholders or for appointment to fill vacancies;
2. recommend to the Board director nominees for each committee of the Board;
3. advise the Board about appropriate composition of the Board and its committees;
4. advise the Board about, and develop and recommend to the Board, appropriate corporate governance principles and practices and assist the Board in implementing those practices;
5. lead the evaluation of the Board through an annual review of the performance of the Board and its committees and otherwise; and
6. advise the Board about the succession of the Company’s chief executive officer (the “CEO”).

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter and will perform such other functions as the Board may assign from time to time.

**II. Composition**

The Committee shall be comprised of three or more directors, all of whom are members of the Board. Except as otherwise permitted under the listing standards of the NASDAQ Stock Market (“Nasdaq”), each member of the Committee shall be “independent” as defined from time to time by the listing standards of Nasdaq, applicable Securities and Exchange Commission (the “SEC”) rules, and any other applicable independence requirements. Accordingly, the Board shall determine annually whether each member is free from any relationship that may interfere with his or her independence from management and the Company.

The members of the Committee will be appointed by the Board and will serve at the pleasure of the Board, except that if there is serving a Lead Director of the Board, the Lead Director shall be a member of the Committee. Any vacancy on the Committee will be filled by,

and any member of the Committee may be removed as such by, an affirmative vote of the majority of the Board.

At such times as there is serving a Lead Director of the Board, the Lead Director will serve as chairperson of the Committee. At all other times, unless the Board designates a chairperson of the Committee, the members of the Committee may designate a chairperson and change that designation by an affirmative vote of the majority of the full Committee membership. The chairperson shall be responsible for leadership of the Committee, including presiding over the meetings and reporting to the Board. The Board may remove or replace the chairperson at any time (subject to the first sentence of this paragraph) by an affirmative vote of the majority of the Board.

Notwithstanding the foregoing membership requirements, no action of the Committee will be invalid by reason of any such requirement not being met at the time the action is taken.

### **III. Meetings and Procedures**

The Committee will meet at the call of its chairperson or of two or more members of the Committee, in each case on at least twenty-four (24) hours personal, written, telegraphic, cable, wireless, or electronic notice to each member. The Committee customarily conducts four meetings per year, or such greater or lesser number of meetings, including in executive session, as the Committee may determine is appropriate (but no less than one annually).

At every meeting of the Committee, the presence of a majority of all the members shall constitute a quorum, and the affirmative vote of a majority of members present shall be necessary for the adoption by it of any resolution. The Committee may also act by unanimous written consent in lieu of a meeting.

Meetings may, at the discretion of the Committee, include other directors, members of the Company's management, independent consultants or advisors, and such other persons as the Committee or its chairperson may determine. Those in attendance who are not members of the Committee may observe, but may not participate in, any discussion or deliberation unless invited to do so by the Committee, and in any event are not entitled to vote at the meeting. The Committee may also exclude from its meetings any person it deems appropriate, other than members of the Committee.

The Corporate Secretary or such other officer as may from time to time be designated by the Committee shall act as management liaison to the Committee and shall work with the Committee chairperson to prepare an agenda for regularly scheduled meetings. The Committee chairperson will make the final decision regarding the agenda for regularly scheduled meetings and shall develop the agenda for special meetings based on the information supplied by the persons requesting the special meeting.

The agenda and all materials to be reviewed at the meetings should be received by the Committee members as far in advance of the meeting day as practicable.

The Committee shall make regular reports to the Board about its activities and decisions, which may be made through the chairperson.

Each year the Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.

Each year the Committee shall review and evaluate its own performance and shall discuss the evaluation with the Board. The Committee evaluation may be combined with the annual Board self-evaluation.

Except as expressly provided in this Charter, the Amended and Restated Certificate of Incorporation, the Amended and Restated Bylaws of the Company, or the Corporate Governance Guidelines of the Company, the Committee may determine additional rules and procedures to govern it or any of its subcommittees, including designation of a chairperson *pro tempore* in the absence of the chairperson and designation of a secretary of the Committee or any meeting thereof.

#### **IV. Authority and Responsibilities**

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. The Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate. The Committee may require any officer or employee of the Company or any of its subsidiaries or the Company's outside legal counsel and any outside consultants or advisors to the Company to attend a meeting of the Committee or to meet with any member of or advisor or consultant to the Committee.

Without limiting the generality of the foregoing statements, the Committee shall have authority, including budgetary and fiscal authority, and is entrusted with the responsibility to perform the following actions:

1. The Committee shall prepare and recommend to the Board for adoption appropriate corporate governance guidelines, including stock ownership guidelines (if any) for directors, and shall from time to time review and reassess the adequacy of, and recommend to the Board modifications to, those guidelines.
2. The Committee shall consider any other corporate governance issues that arise from time to time and develop appropriate recommendations for the Board, including issues relating to the Company's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws.
3. The Committee shall develop criteria for Board members and, when circumstances warrant, shall actively seek, interview, evaluate and identify for recommendation to the Board individuals qualified to become Board members. The Committee shall also evaluate any recommendation for Board nomination that is received from the Company's stockholders, provided that the recommendation complies with the Company's Amended and Restated Certificate of Incorporation, the Company's Amended and Restated Bylaws, and the procedures with respect to such nominations disclosed in the Company's proxy statement for its annual meeting of stockholders. The Company shall reimburse reasonable travel and other expenses incurred by Committee members and director candidates in connection with such activities.
4. The Committee shall seek to provide that at least two-thirds of the members of the Board are independent directors and that, subject to Nasdaq phase-in rules, each committee of the Board contains exclusively or, if appropriate, a majority of members that are independent to the extent required by law, applicable listing

standards, the Company's Amended and Restated Certificate of Incorporation, the Company's Amended and Restated Bylaws, and the Company's Corporate Governance Guidelines.

5. The Committee shall determine whether or not each director and each prospective director of the Company is independent, disinterested, outside or a non-employee director under the standards applicable to the Board and to the committees on which that director is serving or may serve. The Committee may survey any and all of the directors and prospective directors to determine any matter or circumstance that would cause the person not to qualify as an independent, disinterested, outside or non-employee director under applicable standards. The Committee shall report to the Board the existence of any such matter or circumstance and recommend to the Board whether or not a director should be determined by the Board to be independent.
6. Each year, the Committee shall:
  - review the advisability or need for any changes in the number and composition of the Board;
  - recommend to the Board the nominees for election at the annual meeting of stockholders, as well as for filling vacancies or additions on the Board that may occur between annual meetings;
  - review the advisability or need for any changes in the number, charters or titles of committees of the Board;
  - recommend to the Board the composition of each committee of the Board and, if it so desires, the individual director to serve as chairperson of each committee;
  - determine whether a member of the Audit Committee of the Board is an "audit committee financial expert" as defined by SEC rules, and recommend to the Board whether the Audit Committee of the Board should have an audit committee financial expert;
  - ensure that the chairperson of each committee report to the Board about his or her committee's annual evaluation of its performance and evaluation of its charter; and
  - receive comments from all directors and report to the Board an assessment of the Board's performance, to be discussed with the full Board following the end of each fiscal year.
7. The Committee shall provide oversight of the Company's charitable contributions, political spending and lobbying activities, if any. Such oversight shall include receiving reports at least annually as to charitable contributions by the Company and political and lobbying spending by the Company and Company-related political action committees, if any.
8. The Committee shall from time to time assess the need for succession planning for the Company's CEO, develop and update the desired qualifications for CEO candidates, evaluate the development and progression of potential candidates

against those qualifications, and make recommendations to the Board about succession of the CEO. The Committee shall also consult with the CEO from time to time about succession planning for other senior management.

9. The Committee shall have the sole authority to retain, amend the engagement with and terminate any search firm to be used to identify director candidates and CEO candidates. The Committee shall have sole authority to approve the search firm's fees and other retention terms and shall have authority to cause the Company to pay the fees and expenses of the search firm.
10. The Committee shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors, to approve the fees and expenses of such outside advisors and to cause the Company to pay the fees and expenses of such outside advisors.
11. The Committee shall have the authority to designate from among the independent directors a Lead Director of the Board. If the Chairman of the Board of Directors of the Company is not an independent director, the Committee shall designate a Lead Director of the Board.
12. The Committee shall review the material facts of and approve, ratify, or disapprove of the entry into interested transactions pursuant to the Company's Related Persons Transaction Policy.
13. The Committee shall develop and evaluate a general education and orientation program for directors and make recommendations to the Board about director education and orientation.

## **V. Website Posting**

The Company will make this Charter available on or through the Company's website. In addition, the Company will disclose in its proxy statement for its annual meeting of stockholders or in its Annual Report on Form 10-K, as appropriate, that a copy of this Charter is available on the Company's website and will provide the website address.

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*Although the Committee members have the duties and responsibilities set forth in this Charter, nothing in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under federal or state law. In addition, nothing in this Charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by Committee members on reports or other information provided by others.*