

Corporate Governance

Governance Guidelines

Adopted by the Board of Directors of Corcept Therapeutics Incorporated on December 2, 2004

The Board of Directors (the “Board”) of Corcept Therapeutics Incorporated (the “Company”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in exercising its responsibilities. These Guidelines reflect the Board’s commitment to building long-term stockholder value with an emphasis on corporate governance. These Guidelines do not change any federal or state law or regulation applicable to the Company, including the Delaware General Corporation Law, or any rule or regulation of any stock exchange and do not intend to change the Certificate of Incorporation or Bylaws of the Company. The Board reserves the right to modify these Guidelines from time to time as it deems necessary or advisable.

BOARD COMPOSITION

1. Selection of Chair of the Board and Chief Executive Officer

The Board is free to choose its Chair in any manner that is in the best interests of the Company at the time. The roles of the Chief Executive Officer and Chair of the Board may be separate.

2. Size of the Board

The Board shall review its own size from time to time and determine the size that is the most effective for its operation.

3. Selection of New Directors

The Nominating and Corporate Governance Committee is responsible for identifying and evaluating candidates for Board membership, including candidates proposed by stockholders or by the CEO, and for recommending candidates to the independent directors of the Company. The independent directors of the Company are responsible for nominating candidates for election as directors of the Company at those stockholder meetings at which directors are to be elected, and for selecting persons to fill vacancies or newly created directorships that occur between such meetings.

4. Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for assessing the appropriate balance of experience, skills and characteristics required of the Board.

Nominees for director shall be selected on the basis of depth and breadth of experience, knowledge, integrity, ability to make independent analytical inquiries, understanding of the Company’s business environment, the willingness of the candidate to devote adequate time to Board duties, the interplay

of the candidate's experience and skills with those of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any Committees of the Board.

A director seeking to serve on another Board should notify the Chair in advance of accepting such service and, if appropriate, review with the Board any potential conflict of interest.

Over time, each director is expected to own 15,000 shares of stock or vested options in the Company.

5. Percentage of Independent Directors on Board

Independent directors shall constitute at least a majority of the Board. No more than two management executives may serve on the Board at the same time.

6. Board Definition of Director Independence

In order to be independent directors of the Company, directors must meet the criteria for director independence established by the Nasdaq Stock Market. No director will qualify as "independent" unless the Board determines that the director has no relationship that would interfere with the exercise of independent judgment as a director.

7. Chair of the Board

If the Chair of the Board is not also the Chief Executive Officer, the Chair shall perform the following duties:

- Prepare the agenda for the Board meetings with input from the Chief Executive Officer, the Board and the Committee Chairs;
- If appropriate, participate as an observer on any of the Board Committees on which he or she is not a member; and
- Convey to the Chief Executive Officer, together with the Chair of the Compensation Committee, the results of any performance evaluation of the Chief Executive Officer.

In performing the duties described above, the Chair of the Board is expected to consult with the Chairs of the appropriate Board Committees and solicit their participation in order to avoid diluting the authority and responsibilities of such Committee Chairs.

8. Directors Who Change Their Present Job Responsibility

Each executive officer of the Company who serves on the Board will offer to submit his or her resignation to the Board at the time such officer ceases to be an executive officer of the Company.

A non-employee director who retires from his or her principal executive position at another company or changes the principal position held when he or she became a member of the Company's Board must notify the Nominating and Corporate Governance Committee. Upon being notified of any such change in position, the Nominating and Corporate Governance Committee will review the appropriateness of continued Board membership under the circumstances and the affected director will be expected to act in accordance with the Nominating and Corporate Governance Committee's recommendation.

9. Term Limits

The Board has not established term limits for Board members. In connection with each director nomination recommendation, the Nominating and Corporate Governance Committee will consider the issue of continuing director tenure.

10. Board Compensation

The Company's executive officers shall not receive additional compensation for their service as directors.

Compensation for non-employee directors should allow the Company to recruit and retain qualified directors with the background and skills necessary for membership on the Company's Board. The principles for setting the form and amount of such compensation shall be reviewed from time to time by the Board or a committee thereof composed of independent directors.

Audit Committee members may not accept any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than in the members' capacity as members of the Company's Board and any Board committee.

No non-employee director may serve as a consultant or service provider to the Company without the approval of a majority of the independent directors. If approval is granted, the Board must make an assessment of the independence of the director.

FUNCTIONING OF THE BOARD

11. Frequency of Meetings

There will be at least four regularly scheduled meetings of the Board each year.

Each director is expected to attend no fewer than 75 percent of the total of all Board meetings and meetings of committees on which he or she serves.

Unless required by illness or other extenuating circumstances, each director is expected to participate at regular Board and committee meetings in person.

12. Regularly Scheduled Executive Sessions

The Board will schedule regular executive sessions at least twice per year in which the independent directors will meet without management participation.

13. Board Meeting Materials

In advance of each Board meeting, an agenda for such meeting will be sent to each director together with any written materials pertaining to the matters to be presented for Board discussion at such meeting. In addition, before each regularly scheduled Board meeting, draft minutes of the most recent Board meeting and of any committee meetings held since the distribution of materials for the most recent Board meeting will be sent to each director. Also, at such regularly scheduled Board meetings where performance of the Company is to be discussed, appropriate financial and clinical operational information will be sent to each director. Each Board member shall be free to suggest additional agenda items for a Board meeting or to raise at any Board meeting subjects that are not specifically on the agenda for consideration at subsequent meetings.

14. Board Evaluation

From time to time, the Nominating and Corporate Governance Committee shall cause to be conducted a review of the functioning of the Board for discussion with the Board.

15. Board Contact with Senior Management

Board members shall have direct access to management. Board members shall use sound business judgment so that such contact may not distract management from performing its duties.

Furthermore, the Board encourages the Chief Executive Officer, from time to time, to bring managers into Board meetings who: (a) can provide additional insight concerning the items being discussed because of personal involvement in these areas, and/or (b) represent managers with future potential that the Chief Executive Officer believes should be given exposure to the Board.

16. Board Interaction with Investors, Press and Customers

Management speaks for the Company. Other than communications from stockholders received in accordance with procedures established by the Company, directors shall refer all inquiries from investors, press or customers to the Chief Executive Officer or Chief Financial Officer, as appropriate.

17. Stockholders Communications with the Board

The Company shall establish procedures pursuant to which stockholders may send communications to the Board.

18. Board Access to Independent Advisors

The Board has complete authority to retain and terminate such independent consultants, counselors or advisors to the Board as it shall deem necessary or appropriate, at the expense of the Company, including determining the fees and other terms of such retentions or terminations.

19. Director Attendance at Annual Meeting

Directors are encouraged to attend the Company's annual stockholders meetings.

COMMITTEE MATTERS

20. Number and Names of Board Committees

The Company shall have three standing committees: Audit, Compensation and Nominating and Corporate Governance. The duties of these committees shall be set forth in their charters or in a resolution of the Board or the Bylaws of the Company. The Board may consider or form a new committee or disband a current committee depending on circumstances and good business practices.

21. Independence of Board Committees

The Audit Committee and Compensation Committee shall be composed entirely of independent directors. In addition, the Audit Committee shall be composed of independent directors that possess such accounting and financial expertise as the principal stock exchange or quotation service on which the Company's shares are listed or quoted shall require. If the Chief Executive Officer is not the Chair of the Board, the Nominating and Governance Committee shall be composed of the Chair of the Board and at least two independent directors; if the Chief Executive Officer is the Chair, the Nominating and Governance Committee shall be composed of two or more independent directors.

22. Assignment and Rotation of Committee Members; Committee Chairs

The Nominating and Corporate Governance Committee shall be responsible, after consultation with the Chair of the Board, for making recommendations to the Board with respect to the assignment of Board members to various committees and for committee Chairs. After reviewing the Nominating and Corporate Governance Committee's recommendations, the Board shall be responsible for appointing the Chairs and members to the committees.

CODES OF ETHICS AND CONDUCT

23. Codes of Ethics and Conduct

The Nominating and Corporate Governance Committee shall cause to be prepared and adopted codes of ethics and/or conduct meeting legal requirements and the requirements of the principal stock exchange or quotation service on which the Company's shares are listed or quoted.

MANAGEMENT SUCCESSION

24. Succession Planning

The Compensation Committee shall work with management on succession planning matters, as deemed appropriate by the Committee.