

Africure Pharmaceutical Ltd

CHARTER

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

Africure Pharmaceutical Ltd, holder of a Category 1 Global Business licensed by the Financial Services Commission, is a company (the "Company") engaged in the trading of pharmaceutical products focused in the Sub Saharan Africa region. The Company holds a majority shareholding in pharmaceutical manufacturing facilities in Cameroon, India, Botswana, Tanzania and Ivory Coast. The Company also markets its products in other countries which are a part of Sub Saharan Africa.

The Company employs over 380 people in its various subsidiaries and the manpower in most manufacturing locations are locals.

The Company being geared towards best practice, and the size of the workforce calling for a structured nomination and remuneration policy, the Board of Directors of the Company (the "Board") has decided to put a Nomination and Remuneration Committee (the "Committee") in place. This Charter will describe the framework, rules and regulations binding the Committee.

1. Membership

1.1 As of date, the Board consists of Nine directors, two of whom are executive directors – the CEO and the CFO.

The Committee shall comprise of not less than three members, consisting of non- executive and independent directors, and the majority should be independent directors.

1.2 Only members of the Committee have the right to attend committee meetings. Other individuals such as the CEO and external advisers may be invited to attend that part of any meeting, where their input is called for.

1.3 Appointments to the Committee are made by the board and shall be for a period of up to three years extendable by no more than two additional three-year periods, provided the director still meets the criteria for membership of the Committee.

1.4 The Board shall appoint the Committee chairperson. In the absence of the Committee chairperson, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The chairperson of the Board shall not be chairperson of the Committee.

2. Secretary

2.1 The company secretary shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Quorum

3.1 The quorum necessary for the transaction of business shall be two.

4. Meetings

4.1 The Committee shall meet at least once a year and otherwise as required.

5. Notice of meetings

- 5.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairperson.
- 5.2 Unless otherwise agreed, the notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Committee any other person required to attend, not less than five working days prior to the date of the meeting.
- 5.3 The Committee shall normally invite the chairperson of the Board and the CEO to attend meetings to discuss the performance of other executive directors and to make proposals, as necessary.

6. Minutes of meetings

- 6.1 The secretary shall minute the proceedings and resolutions of all the Committee meetings, including the names of those present and in attendance.
- 6.2 Draft minutes of the Committee meetings shall be circulated at least seven working days after the meeting to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee chairperson it would be inappropriate to do so.

7. Annual meeting

- 7.1 The Committee chairperson should attend the annual meeting to answer any shareholder questions on the Committee's activities and be prepared to answer questions concerning the appointment and remuneration of executive and non-executive directors and maintain contact as required with the organization's principal shareholders and stakeholders about the appointment of executive and non-executive directors.

8. Duties of the Committee

8.1 Duties specific to Nomination

The Committee should carry out the duties below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate. The Committee shall:

- 8.1.1 Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes
- 8.1.2 Give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future

- 8.1.3 Keep under review the leadership needs of the organization, both executive and non- executive, with a view to ensuring the continued ability of the organization to compete effectively in the marketplace
- 8.1.4 Keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates
- 8.1.5 Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise
- 8.1.6 Before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the board, and, in the light of this evaluation; prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the committee shall:
- (i) Draw up a matrix and or rubric based on the outcome of a needs analysis
 - (ii) Use open advertising or the services of external advisers to facilitate the search
 - (iii) Consider candidates from a wide range of backgrounds
 - (iii) Consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the board, including gender, taking care that appointees have enough time available to devote to the position
- 8.1.7 For the appointment of a chairperson, the Committee should prepare a job specification, including the expertise required and the time commitment expected. A proposed chairperson's other significant commitments should be disclosed to the Board before appointment and any changes to the chairperson's commitments should be reported to the Board as they arise.
- 8.1.8 Prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest
- 8.1.9 Ensure that, on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings
- 8.1.10 Review the results of the board performance evaluation process that relate to the composition of the Board
- 8.1.11 Review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties
- 8.1.12 Work and liaise as necessary with all other Board committees.

The Committee shall also make recommendations to the Board concerning:

- 8.1.13 The appointment of any director
- 8.1.14 Formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chairperson and chief executive
- 8.1.15 Suitable candidates for the role of lead independent director
- 8.1.16 The re-election by shareholders of directors or the retirement by rotation provisions, having due regard to their performance and ability to continue to contribute to the board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the board
- 8.1.17 Any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company subject to the provisions of the law and their service contract

8.2 Duties specific to Remuneration

The Committee shall:

- 8.2.1 Have responsibility for setting the remuneration policy for all executive directors and the company's chairperson, including pension rights and any compensation payments. The board shall determine the remuneration of the non-executive directors. No director or senior manager shall be involved in any decisions as to their own remuneration.
- 8.2.2 Recommend and monitor the level and structure of remuneration for senior management.
- 8.2.3 Take into account all factors which it deems necessary including relevant legal and regulatory requirements, the principles of the Code and associated guidance. The objective of the remuneration policy shall be to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic term goals.
- 8.2.4 When setting remuneration policy for directors, review and have regard to pay and employment conditions across the Company or group, especially when determining annual salary increases.
- 8.2.5 Review the on-going appropriateness and relevance of the remuneration policy.
- 8.2.6 Within the terms of the agreed policy and in consultation with the chairperson and/or CEO, as appropriate, determine the total individual remuneration package of each executive director, the company chairperson and other designated senior executives including bonuses, incentive payments and share options or other share awards.

- 8.2.7 Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company but within any budgetary restraints imposed by the board.
- 8.2.8 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 8.2.9 Approve the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes.
- 8.2.10 Review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, company secretary and other designated senior executives and the performance targets to be used.
- 8.2.11 Determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.
- 8.2.12 Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognized.
- 8.2.13 Oversee any major changes in employee benefits structures throughout the company or group.
- 8.2.14 Agree the policy for authorizing claims for expenses from the directors.
- 8.2.15 Work and liaise as necessary with all other board committees.

9. Reporting responsibilities

- 9.1 The Committee chairperson shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall ensure that provisions regarding disclosure of information are fulfilled and produce a report of the Company's nomination and remuneration policy and practices to be included in the Company's annual report and ensure each year that it is put to shareholders for approval at the annual meeting. If the Committee has appointed remuneration consultants, the annual report of the company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.
- 9.4 Through the chairperson of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

10. Remuneration

- 10.1 Having regard for the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the board. Such special remuneration shall be in addition to the annual fees payable to directors.
- 10.2 The chairperson of the Committee shall, in addition to his or her remuneration as member, receive a further sum as determined by the Board.

11. Other matters

The Committee shall:

- 11.1 Have access to outside or other independent professional advice as it considers necessary to carry out its duties.
- 11.2 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.
- 11.3 Be provided with appropriate and timely training, both in the form of an induction program for new members and on an on-going basis for all members.
- 11.4 Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors.
- 11.5 Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

11. Authority

- 11.1 The committee is authorized by the board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.