

# **SECURITIES & EXCHANGE COMMISSION**

## **SEC FORM 01 FOR REPORTING COMPLIANCE ON THE SEC CORPORATE GOVERNANCE GUIDELINES**

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### **Introduction**

Public companies, in addition to the template for reporting compliance with the Nigerian Code of Corporate Governance 2018, shall adopt this checklist as part of procedures for assessing their compliance with the SEC Corporate Governance Guideline (SCGG) issued by the Securities and Exchange Commission. The purpose of the Guideline is to add to the standards of transparency, accountability and good corporate governance practice among public companies in Nigeria.

The Guideline, from which SEC Form 01 is developed, is mandatory. The SEC Form 01 shall complement the FRC/CG/001 to help assess and record public companies' compliance with corporate governance requirements. The checklist is structured in line with the guidelines presenting each element as a question to which companies will respond that they have complied, not complied or partially complied. A further section requires a company to record a substantiating comment against the question.

### **Instructions:**

- i) Every line item and indicator **must** be completed.
- ii) Fill in each cell with an "X".
- iii) A substantiating comment **must** be provided in all cases.
- iv) Not Applicable (N/A) is not a valid response.

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**Company Name:** NEIMETH INTERNATIONAL PHARMACEUTICALS PLC.

**Nature of Business:** HEALTHCARE MANUFACTURING AND MARKETING

**Year Ended:** 30<sup>TH</sup> SEPTEMBER 2021

### SECTION I

#### GENERAL INFORMATION

- i) Address of Company: 16, Akanni Doherty Layout (Billings Way) Oregon Industrial Estate, Oregon, Lagos
- ii) E-mail: [info@neimethplc.com.ng](mailto:info@neimethplc.com.ng)
- iii) Website: [www.neimethplc.com.ng](http://www.neimethplc.com.ng)
- iv) Financial Year End: 30<sup>th</sup> September
- v) Date of Incorporation: 13<sup>th</sup> August 1957
- vi) Date of Listing: 1979
- vii) Mobile phone numbers of:
  - a. MD/CEO: 08034022397
  - b. Company Secretary: 08033128663
  - c. Finance Director: 07067605921
  - d. Chief Internal Auditor: 08028516257
  - e. Compliance Officer: 08030509676
- viii) Name and Address of External Auditor (s): PKF PROFESSIONAL SERVICES, PKF HOUSE, 205A IKORODU ROAD, OBANIKORO LAGOS.
- ix) Name and Address of Registrar (s): MERISTEM REGISTRARS LTD, 213 HERBERT MACAULAY WAY, ADEKUNLE-YABA, LAGOS.
- x) If registrars have been changed, list the names of the previous registrars with date: NOT CHANGED
- xi) Name and Address of Financial Advisers: NIL
- xii) Name and Address of Company Secretary: FLORENCE IFEOMA ONYENEKWE. 16, Akanni Doherty Layout (Billings Way) Oregon Industrial Estate, Oregon, Lagos.
- xiii) Name and address of subsidiaries/associates, including % holding: NIL
- xiv) Others/percentage holdings: (minority interest)
- xv) Current Status of listed Securities:

✓ Active

Delisted

Dormant

Unlisted



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### SECTION II

#### SEC CORPORATE GOVERNANCE GUIDELINES

All companies are required to report compliance with the SEC corporate governance guideline in their annual reports to shareholders and the company website.

No.	Item	Yes	No	Partial	Substantiating Commentary
<b>THE BOARD OF DIRECTORS</b>					
<b>Guideline 1</b>	<b>Composition and Structure of the Board</b>				
	Does the Board have a minimum of five (5) members?	X			The Company currently has 11 Directors
<b>Guideline 2</b>	<b>Family and Interlocking Directorship</b>				
<b>2.1</b>	Do more than two members of the same family sit on the Board?		X		The Company doesn't have any two members of the same family sitting on its Board.
<b>2.2</b>	Are there any cross membership on the boards of two or more companies by directors of the company?	X			Some Board members sit together on the Board of up to two companies. However, such cross membership does not give rise to a conflict-of-interest situation.
<b>Guideline 3</b>	<b>Provision of Meeting Documents to Officers of the Board</b>				
	Are Board papers made available to members of the Board at least one week prior to the date of the Board or committee meeting?			X	The Company's Management does its utmost to see that Board papers are made available to Board members at least one week prior to Board or

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					Board Committee meeting dates.
<b>Guideline 4</b>	<b>Independent Non-Executive Directors</b>				
<b>4.1</b>	Does the public company have a minimum of one Independent Director on its Board?	X			Neimeth currently has one Independent Director on its Board.
<b>4.2</b>	Are the Independent Directors: <ul style="list-style-type: none"> <li>i. Partners or Executives of the company's statutory audit firm, internal audit firm, legal or other consulting firm that have a material association with the company? or</li> <li>ii. Partners or Executives of any such firm for three financial years preceding their appointment?</li> </ul>		X		The Independent Director is not a Partner or an Executive of the company's statutory audit firm, internal audit firm, legal or other consulting firm that have a material association with the company nor was she a partner or an executive of any such firm for three financial years preceding her appointment.
<b>Guideline 5</b>	<b>Nomination and Governance</b>				•
	Does the Nomination and Governance Committee: <ul style="list-style-type: none"> <li>i. Review the performance and effectiveness of the Board of the company's subsidiary on an annual basis?</li> <li>ii. Prepare job specification for the position of the Chairman, including an assessment of time commitment required of the candidate?</li> <li>iii. Provide input to the annual report of the company in respect of Director compensation?</li> </ul>			X	<ul style="list-style-type: none"> <li>-The Company has a Corporate Governance and Compliance Committee responsible for Governance issues.</li> <li>-A Nomination Committee is set up as an ad-hoc Committee as the need arises.</li> <li>-Neimeth does not have subsidiaries.</li> <li>-The Chairman's job specifications are</li> </ul>

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					provided for in the Board Charter.
<b>Guideline 6</b>	<b>Audit Committee</b>				
	Whenever necessary, does the Committee obtain external professional advice?	X			The Committee may so do when the need arises. This will be at the Company's expense.
<b>Guideline 7</b>	<b>Risk Management Committee</b>				
	Does the CEO/MD, Executive Directors and the Head of the internal audit unit attend the meetings of the Risk Management Committee?	X			The Executive Director Finance is a member of the Board's Risk Committee, while the MD/CEO and Internal Auditor are in attendance at meetings of the Committee.
<b>Guideline 8</b>	<b>Appointment to the Board</b>				
<b>8.1</b>	In appointing a person to the Board, are shareholders provided with information on any real or potential conflict of interest, including whether the proposed appointee is an interlocking director?			X	Shareholders are provided with certain biographical information of proposed Directors and going forward, it will include information on any real or potential conflict of interest, including whether the proposed appointee is an interlocking Director as the Policy on Appointment of Directors will make provision for that.



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<b>8.2</b>	Do the letters of appointment cover: i. Synopsis of Director's rights? ii. Director evaluation programme used by the company? iii. Any other contractual responsibilities?			X	Director's letters of appointment cover some of the Director's rights and responsibilities. However, the Board Charter is more comprehensive on that.
<b>Guideline 9</b>	<b>Board Evaluation</b>				
	i. Does the Chairman oversee the annual evaluation of the performance of the Chief Executive Officer? ii. Does the CEO/MD perform an annual evaluation for the Executive Directors based on agreed criteria or performance indicators?	X			The Board Establishment & Remuneration Committee carries out the annual evaluation of the performance of the MD/CEO and reports to the Board.  The MD/CEO performs an annual evaluation of the Executive Directors based on agreed KPIs.
<b>Guideline 10</b>	<b>Remuneration</b>				
<b>10.1.</b>	Does the remuneration policy define a process for determining Executive and Non-Executive Directors' compensation?	X			The Company's Remuneration Policy provides the process for determining the compensation the Executive and Non-Executive Directors.
<b>10.2.</b>	Does the Board approve the remuneration of each Executive Director including the CEO individually, taking into consideration direct relevance of skill and experience to the company at that time?	X			Yes. The Board approves the remuneration of the Executive Directors on an Individual basis.

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10.3	<p>i. Where share options are adopted as part of executive remuneration or compensation, does the Board ensure that they are not priced at a discount except with the authorization of the SEC and that any such deferred compensation are not exercisable until one year after the expiration of the minimum tenor of directorship?</p> <p>ii. Where share options are granted as part of remuneration to Directors, are the limits set in any given financial year and subject to the approval of the shareholders in general meeting?</p>	X			Although share options form part of the Company's executive remuneration policy, no share options have been granted to executive directors as part of their remuneration package.
10.4.	Does the company disclose in their annual report, details of shares held by all Directors, including on an "if-converted" basis?			X	The Company's Annual Report discloses details of shares held by all Directors, including the percentage holding of substantial shareholder(s) (5% and above) which include some directors.
10.5.	Are Directors required to disclose their shareholding whether on a proprietary or fiduciary basis in the public company in which they are proposed to be appointed as Directors, prior to their appointment?	X			
10.6.	Does the Board undertake a periodic peer review of its compensation and remuneration levels to ensure that the company remains competitive?		X		The Board is working to begin to undertake periodic peer review of its compensation and remuneration levels.
Guideline 11	Internal Audit Function				

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	<p>Does the annual risk-based internal audit plan:</p> <ul style="list-style-type: none"> <li>i. address the broad range of risks facing the company linking this to risk management framework?</li> <li>ii. identify audit priority areas and areas of greatest threat to the company;</li> <li>iii. indicate how assurance will be provided on the company's risk management process?</li> <li>iv. indicate the resources and skills available or required to achieve the plan?</li> </ul>	X			The company has an effective risk-based internal audit function.
<b>Guideline 12</b>	<b>Business Conduct and Ethics</b>				
	<p>Are Directors, Management and other employees obligated to comply with the principles of the Code of Business Conduct and Ethics at all times, including to:</p> <ul style="list-style-type: none"> <li>i. protect and ensure the efficient use of the Company's assets for legitimate business purposes?</li> <li>ii. make reasonable enquiries to ensure that the Company is operating efficiently, effectively and legally, towards achieving its goals?</li> <li>iii. not engage in conduct likely to bring discredit upon the company, and should encourage fair dealing by all employees with the Company's customers, suppliers, competitors and other employees?</li> </ul>	X			The Company's Code of Ethics makes provision for these.



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	<p>iv. not take advantage of Company property or use such property for personal gain or to compete with the Company?</p> <p>v. keep confidential, information received in the course of the exercise of their duties and such information remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorized by the person from whom the information is provided, or is required by law?</p>	X			The Company's Code of Ethics makes provision for these
<b>Guideline 13</b>	<b>Sustainability</b>				
13.1.	Does the company recognize corruption as a major threat to business and national development and therefore as a sustainability issue for businesses in Nigeria?	X			Yes. Corruption is viewed very seriously by the Company and the Company has a zero-tolerance stance on Corruption. This is enshrined in the Company's Code of Ethics and Anti-corruption Policy.
13.2.	Does the company, Board and individual directors commit themselves to transparent dealings and the establishment of a culture of integrity and zero tolerance to corruption and corrupt practices?	X			Yes. This Commitment is enshrined in the Company's Code of Ethics and Anti-Corruption Policy.
<b>Guideline 14</b>	<b>Disclosure</b>				

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	Does the company engage in increased disclosure beyond the statutory requirements in the CAMA, in order to foster good corporate governance?	X			Yes, Neimeth is committed to continuing Disclosure through its Annual Reports, Company website and via the Issuer's portal of the Nigerian Exchange Limited..
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### SECTION III

#### ADDITIONAL DISCLOSURES

1. State the names and percentage holding of substantial shareholder(s) (5% and above)

Name	Percentage (%) holding	Representation in the board
OHUABUNWA S. IHEANYICHUKWU	6.71%	OHUABUNWA S. IHEANYICHUKWU
HELKO NIGERIA LIMITED	10.11%	DR. A. B. C. ORJIAKO
ORDREC INVESTMENTS LIMITED	11.46%	DR. A. B. C. ORJIAKO
INTERCEDD HEALTH PRODUCTS LTD	23.74%	PROF. ELIJAH N. SOKOMBA

#### 2. Unclaimed Dividend

- (i) Total Unclaimed Dividend

**N27,516,110.78**

- (ii) Bank Balance as at 31<sup>st</sup> December 2020 ....

**N27,516,110.78**

- (iii) Investments (made) .....NIL.....

- (iv) Earned Income .....NIL.....



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**CERTIFICATION**

All information provided herein is to the best of our knowledge true. We take responsibility for any Contradictory information given by us. Material variations would be considered as fraudulent misrepresentation.

**Company Secretary**

Name: Mrs F-I Onyeneke

Sign & Date: [Signature] 24-01-2022

**Chief Internal Auditor**

Name: Matthew K. Adekoya

Sign & Date: 24-01-2022 [Signature]

**Finance Director**

Name: Mrs Terri Nelson

Sign & Date: [Signature] 24-Jan-2022

**Managing Director**

Name: Matthew O. Azor

Sign & Stamp: 24-01-2022 [Signature]

**Chairman of the Board**

Name: ABC ORJI AKO

Sign & Date: [Signature] 24-01-2022

**Chairman of Audit Committee**

Name: DR OTINKA MARCEL O.

Sign & Date: [Signature] 24-01-2022

**COMPANY SEAL**

