



FINANCIAL REPORTING COUNCIL OF NIGERIA

(Federal Ministry of Industry, Trade & Investment)

FRC/CG/001: TEMPLATE FOR REPORTING COMPLIANCE WITH THE NIGERIAN CODE OF CORPORATE GOVERNANCE 2018

Section A: Introduction

Corporate Governance is a key driver of corporate accountability and business prosperity. The Nigerian Code of Corporate Governance, 2018 (NCCG 2018) seeks to institutionalize corporate governance best practices in Nigerian companies. It is also aimed at increasing entities' levels of transparency, trust and integrity, and create an environment for sustainable business operations.

The Code adopts a principle-based approach in specifying minimum standards of practice that companies should adopt. Where so required, companies are required to adopt the "Apply and Explain" approach in reporting on compliance with the Code. The 'Apply and Explain' approach assumes application of all principles and requires entities to explain how the principles are applied. This requires companies to demonstrate how the specific activities they have undertaken best achieve the outcomes intended by the corporate governance principles specified in the Code.

This will help to prevent a 'box ticking' exercise as companies deliberately consider how they have (or have not) achieved the intended outcomes. Although, the Code recommends practices to enable companies apply the principles, it recognizes that these practices can be tailored to meet industry or company needs. The Code is thus scalable to suit the type, size and growth phase of each company while still achieving the outcomes envisaged by the principles.

This form seeks to assess the company's level of compliance with the principles in the NCCG 2018. Entities should explain how these principles have been applied, specify areas of deviation from the principles and give reasons for these deviations and any alternative practice(s) adopted.

Please read the instructions below carefully before completing this form:

- i. Every line item and indicator must be completed.
- ii. Respond to each question with "Yes" where you have applied the principle, and "No" where you are yet to apply the principle.
- iii. An explanation on how you are applying the principle, or otherwise should be included as part of your response.
- iv. Not Applicable (N/A) is not a valid response.

Section B – General Information

S/No.	Items	Details
i.	Company Name	Neimeth International Pharmaceuticals Plc.
ii.	Date of Incorporation	13 th August 1957
iii.	RC Number	1557
iv.	License Number	FRC/2015/0000006315
v.	Company Physical Address	16, Billings Way (Akanni Doherty Layout), Oregon Industrial Estate, Oregon, Lagos.
vi.	Company Website Address	www.neimethplc.com.ng
vii.	Financial Year End	31 st December 2023
viii.	Is the Company a part of a Group/Holding Company? Yes/No If yes, please state the name of the Group/Holding Company	No
ix.	Name and Address of Ag. Company Secretary	Chinenye S. Adekanmbi. 16, Billings Way (Akanni Doherty Layout), Oregon Industrial Estate, Oregon, Lagos.
x.	Name and Address of External Auditor(s)	BDO Professional Services (Chartered Accountants), ADOL House, 15, CIPM Avenue, Alausa – Ikeja, Lagos.
xi.	Name and Address of Registrar(s)	Meristem Registrars and Probate Services Limited. 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos State
xii.	Investor Relations Contact Person (E-mail and Phone No.)	Chinenye.adekanmbi@neimethplc.com.ng +234 8030509676
xiii.	Name of the Governance Evaluation Consultant	
xiv.	Name of the Board Evaluation Consultant	Planet Governance Advisory Limited

Section C - Details of Board of the Company and Attendance at Meetings

1. Board Details:

S/No.	Names of Board Members	Designation (Chairman, MD, INED, NED, ED)	Gender	Date First Appointed/ Elected	Remark
1.	Dr. A. B. C. ORJIAKO	CHAIRMAN	MALE	1 ST FEB. 2005	
2.	PHARM.VALENTINE C. OKELU	ED - MD/CEO	MALE	16 TH AUG. 2023	
3.	PHARM. ROSELINE A. OPUTA	ED	FEMALE	20 TH OCT. 2017	
4.	MRS. FLORENCE I. ONYENEKWE	ED		1 ST JUNE 2023	
5.	MAZI SAMUEL I. OHUABUNWA	NED	MALE	1997	He is the founding MD/CEO. He became a NED in 2011.
6.	DR. ATINUKE R. UWAJEH	NED	FEMALE	27 TH APRIL 2023	
7.	PROF. MAURICE M. IWU	NED	MALE	20 TH DEC. 2011	
8.	SIR IKE. T. ONYECHI	NED	MALE	20 TH DEC. 2011	
9.	MR. THOMAS T. OSOBU	NED	MALE	20 TH DEC. 2011	
10.	DR. OLUSEGUN AKANJI	NED	MALE	27 TH APRIL 2023	
11.	MR. CHRISTOPHER OSHIAFI	NED	MALE	26 TH OCT. 2023	

2. Attendance at Board and Committee Meetings:

S/No.	Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
1.	DR. A. B. C. ORJIAKO	10	10	NIL	---	---	---
2.	PHARM. VALENTINE C. OKELU	10	2 <i>Assumed duty 16/08/2023</i>	NIL	---	---	---
3.	PHARM. ROSELINE A. OPUTA	10	10	NIL	---	---	---
4.	MRS. FLORENCE I. ONYENEKWE	10	10	Risk/Health/Quality Assurance	Member	3	2
5.	DR. ATINUKE U. R. UWAJEH	10	5 <i>Appointed 27/04/2023</i>	Risk/Health/Quality Assurance	Member	3	2
Innovation & Strategy				Member	4	3	
Finance & Budget				Member	8	4	
6.	MAZI SAMUEL I. OHUABUNWA	10	10	Establishment /Remuneration	Chairman	6	6
Risk/Health/Quality Assurance				Member	3	2	
Innovation & Strategy				Member	4	4	
Finance & Budget				Member	8	4	
7.	PROF. MAURICE M. IWU	10	10	Innovation & Strategy	Chairman	4	4
Corporate Governance & Compliance				Member	4	4	
Risk/Health/Quality Assurance					3	2	
8.	DR. OLUSEGUN AKANJI	10	4 <i>Appointed 27/04/2023</i>	Corporate Governance & Compliance	Member	4	4
Finance & Budget				Chairman	8	4	
Establishment /Remuneration				Member	6	6	
9.	MR. THOMAS T. OSOBU	10	10	Corporate Governance & Compliance	Chairman	4	4
Finance & Budget				Member	6	6	
Establishment /Remuneration				Member	6	6	
Innovation & Strategy				Member	4	4	
Statutory Audit Committee				Member	6	6	
10.	SIR IKECHUKWU T. ONYECHI	10	10	Risk/Health/Quality Assurance	Chairman	3	2
Finance & Budget				Member	6	6	
Innovation & Strategy				Member	4	4	
11.	MR. CHRISTOPHER OSHIAFI	10	1 <i>Appointed 26/10/2023</i>				

Note: The above list contains only names of directors as at 31st December 2023.

Section D - Details of Senior Management of the Company

1. Senior Management:

S/No.	Names	Position Held	Gender
1.	PHARM. VALENTINE C. OKELU	MD/CEO	MALE
2.	PHARM. ROSELINE A. OPUTA	EXECUTIVE DIRECTOR, ADMINISTRATION	FEMALE
3.	MRS. FLORENCE I. ONYENEKWE	AG. EXECUTIVE DIRECTOR, FINANCE	FEMALE
4.	MR. ADEKUNLE A. ADEBOWALE	DIRECTOR, PLANT BUSINESS OPERATIONS	MALE
5.	MRS. NGOZI E. KAURA	HEAD OF INTERNAL AUDIT	FEMALE
6.	MRS. CHINENYE S. ADEKANMBI	AG. COMPANY SECRETARY/HEAD OF COMPLIANCE	FEMALE
7.	MR. UDORA I. NNOLI	HEAD OF LEGAL	MALE

Section E – Application

Principles	Reporting Questions	Explanation on application or deviation
Part A - Board of Directors and Officers of the Board		
<p>Principle 1: Role of the Board</p> <p><i>“A successful Company is headed by an effective Board which is responsible for providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship. As a link between stakeholders and the Company, the Board is to exercise oversight and control to ensure that management acts in the best interest of the shareholders and other stakeholders while sustaining the prosperity of the Company”</i></p>	<p>i) Does the Board have an approved Charter which sets out its responsibilities and terms of reference? Yes/No If yes, when was it last reviewed?</p>	<p>Yes. It was last reviewed in 2022.</p>
<p>Principle 2: Board Structure and Composition</p> <p><i>“The effective discharge of the responsibilities of the Board and its committees is assured by an appropriate balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity “</i></p>	<p>i) What are the qualifications and experiences of the directors?</p>	<p>The Company’s directors are qualified professionals with vast experience in fields ranging from Pharmacy, Manufacturing, Banking, Business Administration, Medicine, Finance, Leadership and others.</p>
	<p>ii) Does the company have a Board-approved diversity policy? Yes/No If yes, to what extent have the diversity targets been achieved?</p>	<p>Yes. The Board has an approved Diversity Policy. By virtue of the Policy, the Company targets the promotion of diversity and equality on its Board, irrespective of gender, age, disability, ethnicity, religion/belief, marital status and background. It goes further to strive for representation of at least 30% of either male or female gender on the Board. These aspirations have been largely met as the Board currently has 27% female representation on the Board with 3 Female Directors out of 11 Directors.</p>
	<p>iii) Are there directors holding concurrent directorships? Yes/No If yes, state names of the directors and the companies?</p>	<p>No.</p>
	<p>iv) Is the MD/CEO or an Executive Director a chair of any Board Committee? Yes/No If yes, provide the names of the Committees.</p>	<p>No. Neither the MD/CEO nor an Executive Director chairs any Board Committee</p>

Principle 3: Chairman <i>"The Chairman is responsible for providing overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board"</i>	i) Is the Chairman a member or chair of any of the Board Committees? Yes/no If yes, list them.	No. The Chairman of the Board is neither a member nor chair of any Board Committee.
	ii) At which Committee meeting(s) was the Chairman in attendance during the period under review?	None
	iii) Is the Chairman an INED or a NED?	The Chairman is a NED.
	iv) Is the Chairman a former MD/CEO or ED of the Company? Yes/No If yes, when did his/her tenure as MD end?	No. The Chairman has never been in the employment of the Company.
	v) When was he/she appointed as Chairman?	The Chairman of the Board was appointed on the 1 st of February, 2005.
	vi) Are the roles and responsibilities of the Chairman clearly defined? Yes/No If yes, specify which document	Yes. The roles and responsibilities of the Chairman are specified in the Board Charter.
Principles	Reporting Questions	Explanation on application or deviation
Principle 4: Managing Director/Chief Executive Officer <i>"The Managing Director/Chief Executive Officer is the head of management delegated by the Board to run the affairs of the Company to achieve its strategic objectives for sustainable corporate performance"</i>	i) Does the MD/CEO have a contract of employment which sets out his authority and relationship with the Board? Yes/No If no, in which documents is it specified?	Yes. The MD/CEO's authority and relationship with the Board is contained in his Letter of Employment and Board Charter.
	ii) Does the MD/CEO declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes. The Company's Policy provides for annual declaration. Declarations are usually made thereafter at Board and Board Committee meetings.
	iii) Which of the Board Committee meetings did the MD/CEO attend during the period under review?	Risk, Health & Quality Assurance Committee Corporate Governance & Compliance Committee Finance & Budget Committee Innovation & Strategy Committee Remuneration & Establishment Committee.
	iv) Is the MD/CEO serving as NED in any other company? Yes/no . If yes, please state the company(ies)?	No. He is not a Board member of any publicly quoted company.
	v) Is the membership of the MD/CEO in these companies in line with the Board-approved policies? Yes/No	No. If there was any such membership, it would be in line with the relevant board approved policies.
	Principle 5: Executive Directors <i>Executive Directors support the Managing Director/Chief Executive Officer in the operations and management of the Company</i>	i) Do the EDs have contracts of employment? Yes/no
ii) If yes, do the contracts of employment set out the roles and responsibilities of the EDs? Yes/No If no, in which document are the roles and responsibilities specified?		The Letters of Employment contain some of the job responsibilities of the EDs. However, the roles and responsibilities of the EDs are extensively specified in the Board Charter.
iii) Do the EDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No		Yes. The Company's Conflict of Interest Policy provides for disclosure of any conflict of interest during the appointment process, annually and on an on-going basis.
iv) Are there EDs serving as NEDs in any other company? Yes/No If yes, please list		No.
v) Are their memberships in these companies in line with Board-approved policy? Yes/No		No. If there was any such membership, it would be in line with the relevant board approved policies.
Principle 6: Non-Executive Directors <i>Non-Executive Directors bring to bear their knowledge, expertise and independent judgment on issues of strategy</i>		i) Are the roles and responsibilities of the NEDs clearly defined and documented? Yes/No If yes, where are these documented?
	ii) Do the NEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes, NEDs have Letters of Appointment that state some of their duties. However, a more robust provision is contained in the Board Charter.

and performance on the Board	iii) Do the NEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes. Any conflict of interest is declared on an ongoing basis as they occur.
	iv) Are NEDs provided with information relating to the management of the company and on all Board matters? Yes/No If yes, when is the information provided to the NEDs	Yes. Relevant information is provided to the NEDs through Management reports and Board & Board Committee papers circulated prior to meetings. Salient information is also provided upon request and on a need-to-know basis.
	v) What is the process of ensuring completeness and adequacy of the information provided?	The process of ensuring completeness and adequacy of information provided is through feedback from Board members on board and board Committee papers circulated.
	vi) Do NEDs have unfettered access to the EDs, Company Secretary and the Internal Auditor? Yes/No	Yes, they do.
Principle 7: Independent Non-Executive Directors	i) Do the INEDs meet the independence criteria prescribed under Section 7.2 of the Code? Yes/No	Yes. However, the INED on the Board resigned in the course of the year under review and plans are ongoing to fill the vacancy.
<i>Independent Non-Executive Directors bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence"</i>	ii) Are there any exceptions?	No.
	iii) What is the process of selecting INEDs?	A summary of the process as contained in the Company's Policy on Appointment of Directors is sated below (The process is independent of the Company's Management): <ul style="list-style-type: none"> • Recommendations are made to the Board Nomination Committee when there is a vacancy. • The Board shall satisfy itself that the nominee has the required qualifications and fulfils the specified regulatory conditions. • Background check/screening of CV of a nominee is carried out as deemed fit to ensure appropriate balance of skills, experience & knowledge. • A chat shall be conducted with the nominee by the Chairman and other members of the Board if need be. • Appointment of a successful candidate shall be approved at the meeting of shareholders.
	iv) Do the INEDs have letters of appointment specifying their duties, liabilities and terms of engagement? Yes/No	Yes, INEDs have letters of appointment, but detailed provision of their duties, liabilities and terms of Engagement are contained in the Board Charter.
	v) Do the INEDs declare any conflict of interest on appointment, annually, thereafter and as they occur? Yes/No	Yes. The Company's Conflict of Interest Policy makes provision for the INED to declare any Conflict of Interest annually and on an ongoing basis.
	vi) Does the Board ascertain and confirm the independence of the INEDs? Yes/No If yes, how often? What is the process?	Yes. The Company's Board Charter makes provision for the independence of Directors to be assessed annually. The process is via personal declaration.
	vii) Is the INED a Shareholder of the Company? Yes/No If yes, what is the percentage shareholding?	No. The INED was not a shareholder of the Company.
	viii) Does the INED have another relationship with the Company apart from directorship and/or shareholding? Yes/No If yes, provide details.	No. The INED's only relationship with the Company was as an Independent Non-Executive Director.
	ix) What are the components of INEDs remuneration?	The INED's remuneration is composed of directors' fees approved at the AGM and sitting allowances for participating in Board and Board Committee meetings.
	Principle 8: Company Secretary	i) Is the Company Secretary in-house or outsourced?
<i>"The Company Secretary support the effectiveness of the Board by assisting the Board and management to</i>	ii) What is the qualification and experience of the Company Secretary?	LLB, BL. ACIS. She possesses the relevant qualification and experience necessary to effectively discharge the duties of her office. She has over 17 years of relevant experience.

develop good corporate governance practices and culture within the Company"	iii) Where the Company Secretary is an employee of the Company, is the person a member of senior management?	Yes.
	iv) Who does the Company Secretary report to?	The Company Secretary reports to the MD/CEO with direct channel of communication to the Chairman of the Board.
	v) What is the appointment and removal process of the Company Secretary?	The appointment and removal of the Company Secretary is subject to relevant policies and the approval of the Board.
	vi) Who undertakes and approves the performance appraisal of the Company Secretary?	The MD/CEO undertakes and approves the performance appraisal of the Company Secretary with the approval of the Board through the relevant Board Committee.
Principle 9: Access to Independent Advice <i>"Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise"</i>	i) Does the company have a Board-approved policy that allows directors access to independent professional advice in the discharge of their duties? Yes/No If yes, where is it documented?	Yes. This is contained in the Board Charter.
	ii) Who bears the cost for the independent professional advice?	The Company is solely responsible for the cost of the Independent Professional advice.
	iii) During the period under review, did the Directors obtain any independent professional advice? Yes/No If yes, provide details.	No.
Principle 10: Meetings of the Board <i>"Meetings are the principal vehicle for conducting the business of the Board and successfully fulfilling the strategic objectives of the Company"</i>	i) What is the process for reviewing and approving minutes of Board meetings?	<ul style="list-style-type: none"> Draft minutes of previous meetings are circulated to members of the Board ahead of meetings. Minutes are reviewed at meetings and approved/adopted accordingly by Directors.
	ii) What are the timelines for sending the minutes to Directors?	Minutes of meeting are circulated at least one week ahead of any Board meeting.
	iii) What are the implications for Directors who do not meet the Company policy on meeting attendance?	The Board Charter specifies that Board members shall strive to attend all Board meetings. The attendance record of Directors will be a factor to consider during re-election.
Principle 11: Board Committees <i>"To ensure efficiency and effectiveness, the Board delegates some of its functions, duties and responsibilities to well-structured committees, without abdicating its responsibilities"</i>	i) Do the Board Committees have Board-approved Charters which set out their responsibilities and terms of reference? Yes/No	No. The Committees have terms of reference, but the Committee Charters are work in progress.
	ii) What is the process for reviewing and approving minutes of Board Committee of meetings?	<ul style="list-style-type: none"> Draft minutes of previous meetings are circulated to members ahead of meetings. Minutes are reviewed at meetings and approved/adopted accordingly
	iii) What are the timelines for sending the minutes to the directors?	Minutes of meeting are to be circulated at least one week ahead of meetings.
	iv) Who acts as Secretary to board committees?	The Company Secretary/Asst. Company Secretary serves as Secretary to the Board Committees.
	v) What Board Committees are responsible for the following matters? a) Nomination and Governance b) Remuneration c) Audit d) Risk Management	<ul style="list-style-type: none"> Corporate Governance & Compliance Committee handles governance matters, but there is an Executive Search Committee of the Board that handles nomination matters as the need arises. Remuneration & Establishment Committee Finance & Budget Committee Risk/Health /Quality Assurance Committee
	vi) What is the process of appointing the chair of each committee?	The chair of each Committee is appointed by the Chairman of the Board.
	Committee responsible for Nomination and Governance	
	vii) What is the proportion of INEDs to NEDs on the Committee responsible for Nomination and Governance?	The Committee is currently made up of NEDs following the resignation of the INED in the course of the year under review.
	viii) Is the chairman of the Committee a NED or INED?	The Chairman of the Committee is a NED

ix) Does the Company have a succession plan policy? Yes/No If yes, how often is it reviewed?	Yes. The Policy is reviewed periodically.
x) How often are Board and Committee charters as well as other governance policies reviewed?	The Board Charter and other governance policies are reviewed periodically.
xi) How does the committee report on its activities to the Board?	The Committee reports on its activities through a formal report presented to the Board.
Committee responsible for Remuneration	
xii) What is the proportion of INEDs to NEDs on the Committee responsible for Remuneration?	The Committee is currently made up of NEDs following the resignation of the INED in the course of the year under review.
xiii) Is the chairman of the Committee a NED or INED?	The Chairman of the Committee is a NED.
Committee responsible for Audit	
xiv) Does the Company have a Board Audit Committee separate from the Statutory Audit Committee? Yes/No	Yes. The Committee is referred to as the Board Finance & Budget Committee.
xv) Are members of the Committee responsible for Audit financially literate? Yes/No	Yes.
xvi) What are their qualifications and experience?	Members of the Committee are well experienced and knowledgeable in financial matters.
xvii) Name the financial expert(s) on the Committee responsible for Audit	Dr. Olusegun Akanji, Chairman of the Committee.

Principles	Reporting Questions	Explanation on application or deviation
	xviii) How often does the Committee responsible for Audit review the internal auditor's reports?	At least once every quarter. The Internal Auditor submits a report to the Finance & Budget Committee for review at the Committee's quarterly meetings.
	xix) Does the Company have a Board approved internal control framework in place? Yes/No	Yes.
	xx) How does the Board monitor compliance with the internal control framework?	Monitoring of compliance with the Internal Control framework is through the Internal Auditor's reports and Board Audit Committee's report
	xxi) Does the Committee responsible for Audit review the External Auditors management letter, Key Audit Matters and management response to issues raised? Yes/No Please explain.	Yes. The Committee reviews the External Auditors Management letter Key Audit Matters and Management's response at completion of the audit exercise and presentation of the External Audit Report to the Committee.
	xxii) Is there a Board-approved policy that clearly specifies the non-audit services that the external auditor shall not provide? Yes/No	Yes.
	xxiii) How many times did the Audit Committee hold discussions with the head of internal audit function and external auditors without the management during the period under review?	The Audit Committee did not meet alone in the period under review with the Internal Audit function without the Management.
	Committee responsible for Risk Management	
	xxiv) Is the Chairman of the Risk Committee a NED or an INED?	The Chairman of the Committee is a NED
	xxv) Is there a Board approved Risk Management framework? Yes/No? If yes, when was it approved?	Yes. It was approved in July 2022.
	xxvi) How often does the Committee review the adequacy and effectiveness of the Risk Management Controls in place? Date of last review	Quarterly, at Committee meetings. October 2023.
	xxvii) Does the Company have a Board-approved IT Data Governance Framework? Yes/No If yes, how often is it reviewed?	No. The Policy is yet to be approved. It is at the draft stage.
	xxviii) How often does the Committee receive and review compliance report on the IT Data Governance Framework?	The draft Framework is yet to be approved.
	xxix) Is the Chief Risk Officer (CRO) a member of Senior Management and does he have relevant experience for this role? Yes/No	Yes. The Head, Internal Audit doubles as the CRO. She is a member of Senior Management and has the relevant experience for the role.
	xxx) How many meetings of the Committee did the CRO attend during the period under review?	All
Principle 12: Appointment to the Board	i) Is there a Board-approved policy for the appointment of Directors? Yes/No	Yes.
<i>"A written, clearly defined, rigorous, formal and transparent procedure serves as a guide for the selection of Directors to ensure the appointment of high-quality individuals to the Board"</i>	ii) What criteria are considered for their appointment?	A Director must: <ul style="list-style-type: none"> • Be a fit & proper person • Be a person of good character • Be committed and available, with enough time to devote to the job • Have the appropriate balance of skills, experience, independence and knowledge for effective discharge of his/her responsibilities.
	iii) What is the Board process for ascertaining that prospective directors are fit and proper persons?	The process for ascertaining that a prospective Director is a fit and proper person is through background checks and testimonies of referees.

	iv) Is there a defined tenure for the following: a) The Chairman b) The MD/CEO c) INED	Yes..
	d) NED e) EDs	Yes.
	v) Please state the tenure	By virtue of the Company's Director Tenure Policy, NEDs shall retire from the Board by their 15 th anniversary of service on the Board or by their 75 th birthday, whichever is earlier. EDs are guided by the Company's Human Resources Policy on Retirement which provides for 35years of service in the employment of the Company or attainment of 60years of age, whichever is earlier.
	vi) Does the Board have a process to ensure that it is refreshed periodically? Yes/No?	Yes. This is achieved by prescribing a term limit/tenure for Board members.
Principle 13: Induction and Continuing Education	i) Does the Board have a formal induction programme for new directors? Yes/No	Yes.
<i>"A formal induction programme on joining the Board as well as regular training assists Directors to effectively discharge their duties to the Company"</i>	ii) During the period under review, were new Directors appointed? Yes/No If yes, provide date of induction.	Yes. No formal induction programme was carried out.
	iii) Are Directors provided relevant training to enable them effectively discharge their duties? Yes/No If yes, provide training details.	Yes, Directors are provided relevant trainings to improve their effectiveness. No training was carried out during the period under review.
	iv) How do you assess the training needs of Directors?	The training needs of Directors are assessed in consultation with Board members. Recommended training topics are presented by the Company Secretariat to the Board members for approval or suggestions on areas of need.
	v) Is there a Board-approved training plan? Yes/No	It is the Board's practice to approve an annual training plan, but the Company could not implement same in the outgone year.
	vi) Has it been budgeted for? Yes/No	Yes. Training plans are budgeted for.
	Principle 14: Board Evaluation	i) Is there a Board-approved policy for evaluating Board performance? Yes/No
<i>"Annual Board evaluation assesses how each Director, the committees of the Board and the Board are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives"</i>	ii) For the period under review, was there any Board Evaluation exercise conducted? Yes/No	No. Yet to be conducted.
	iii) If yes, indicate whether internal or external. Provide date of last evaluation.	Date of last external evaluation was March 2021.
	iv) Has the Board Evaluation report been presented to the full Board? Yes/No If yes, indicate date of presentation.	Evaluation for the period under review is yet to be carried out.
	v) Did the Chairman discuss the evaluation report with the individual directors? Yes/No	Evaluation for the period under review is yet to be carried out
	vi) Is the result of the evaluation for each Director considered in the re-election process? Yes/No	Yes.
	Principle 15: Corporate Governance Evaluation	i) For the period under review, has the Company conducted a corporate governance evaluation? Yes/No If yes, provide date of the evaluation.
<i>"Institutionalizing a system for evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective"</i>	ii) Is the result of the Corporate Governance Evaluation presented and considered by the Board? Yes/No	No Corporate Governance Evaluation was carried out during the year under review.
	iii) If yes, please indicate the date of last presentation.	

	iv) Is the summary of the Corporate Governance Evaluation included in the annual reports and Investors portal? Yes/No	No Corporate Governance Evaluation was conducted.
Principle 16: Remuneration Governance	i) Is there a Board-approved Directors' remuneration policy? Yes/No If yes, how often is it reviewed?	Yes. It is to be reviewed every two (2) years.
Principles	Reporting Questions	Explanation on application or deviation
"The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term"	ii) Provide details of directors' fees, allowances and all other benefits paid to them during the period under review	Directors are paid annual fees and sitting allowances.
	iii) Is the remuneration of NEDs presented to shareholders for approval? Yes/No If yes, when was it approved?	Yes. Remuneration for the NEDs was last approved on the 10 th of May 2023 at the Annual General Meeting
	iv) What portion of the NEDs remuneration is linked to company performance?	None. But bonus payment is linked to the Company's performance.
	v) Is there a Board-approved remuneration policy for Executive and Senior management? Yes/No If yes, to what extent is remuneration linked to company performance?	Yes. To the extent that bonus payouts are dependent on achievement of budgeted revenue and other performance indices.
	vi) Has the Board set KPIs for Executive Management? Yes/No	Yes. KPIs have been set, which include the achievement of the Company's yearly budget, expected turnover and profit and other indices.
	vii) If yes, was the performance measured against the KPIs? Yes/No	Yes.
	viii) Do the MD/CEO, EDs and Company Secretary receive a sitting allowance and/or directors fees? Yes/No	No. Neither the MD/CEO, EDs nor Company Secretary receive a sitting allowance or director's fee.
	ix) Which of the following receive sitting allowance and/or fees: a. MD/CEO b. ED c. Company Secretary d. Other Senior management staff	None. They are all full-time staff of the Company and are only entitled to a monthly salary and approved allowances.
	x) Is there a Board-approved clawback policy for Executive management? Yes/No If yes, attach the policy.	No.
Principle 17: Risk Management	i) Has the Board defined the company's risk appetite and limit? Yes/No	Yes.
"A sound framework for managing risk and ensuring an effective internal control system is essential for achieving the strategic objectives of the Company"	ii) How often does the company conduct a risk assessment?	Quarterly.
	iii) How often does the board receive and review risk management reports?	Quarterly. The Board through its Risk Committee receives risk management reports from Management for review and necessary action.
Principle 18: Internal Audit	i) Does the company have an Internal Audit function? Yes/No If no, how has the Board obtained adequate assurance on the effectiveness of internal processes and systems?	Yes
"An effective internal audit function provides assurance to the Board on the effectiveness of the governance, risk management and internal control systems"	ii) Does the company have a Board-approved internal audit charter? Yes/No	Yes.
	iii) Is the head of internal audit a member of senior management? Yes/No	Yes.

	iv) What is the qualification and experience of the head of internal audit?	The Internal Audit function has the following qualifications- HND Accounting, FCA, CFE, MBA (Financial Management) She has about 20 years' experience as an Internal Auditor.
	v) Does the company have a Board-approved annual risk-based internal audit plan? Yes/No	Yes.
	vi) Does the head of the internal audit function report at least once every quarter to the committee responsible for audit, on the adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and management mitigation plans? Yes/No	Yes. The Internal Audit Function presents a comprehensive quarterly report to the Board Finance & Budget Committee.
	vii) Is there an external assessment of the effectiveness of the internal audit function at least once every three years by a qualified independent reviewer appointed by the Board? Yes/No If yes, when was the last assessment?	No.
	viii) Who undertakes and approves the performance evaluation of the Head of Internal Audit?	The Board Finance and Budget Committee.
Principle 19: Whistleblowing <i>"An effective whistle-blowing framework for reporting any illegal or unethical behaviour minimises the Company's exposure and prevents recurrence"</i>	i) Does the company have a Board-approved whistleblowing framework? Yes/No If yes, when was the date of last review	Yes. The date of last review was 30 th January 2024
	ii) Does the Board ensure that the whistleblowing mechanism and process are reliable, accessible to all stakeholders, guarantees anonymity and protection of the whistleblower? Yes/No	Yes. The Board ensures the Policy is accessible to stakeholders and guarantees confidentiality and anonymity.
	iii) Is the Audit committee provided with the following reports on a periodic basis? a) Reported cases b) Process and results of Investigated cases	Yes, if any.
Principle 20: External Audit <i>"An external auditor is appointed to provide an independent opinion on the true and fair view of the financial statements of the Company to give assurance to stakeholders on the reliability of the financial statements"</i>	i) Who makes the recommendations for the appointment, re-appointment or removal of external auditors?	The Statutory Audit Committee
	ii) Who approves the appointment, re-appointment, and removal of External Auditors?	The Shareholders at Annual General Meetings.
	iii) When was the first date of appointment of the External auditors?	2022
	iv) How often are the audit partners rotated?	The current External auditors were just engaged in 2022.
Principle 21: General Meetings <i>"General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance. They provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest"</i>	i) How many days prior to the last general meeting were notices, annual reports and any other relevant information dispatched to Shareholders?	21 days
	ii) Were the Chairmen of all Board Committees and the Chairman of the Statutory Audit Committee present to respond to Shareholders' enquiries at the last meeting? Yes/No	Yes..

<p>Principle 22: Shareholder Engagement <i>"The establishment of a system of regular dialogue with shareholders balance their needs, interests and expectations with the objectives of the Company"</i></p>	<p>i) Is there a Board-approved policy on shareholders' engagement? Yes/No If yes: a) when was it last reviewed? b) Is the policy hosted on the company's website?</p>	<p>Yes. It was last reviewed in January 2022. The Policy is hosted on the Company's website.</p>
<p>"</p>	<p>ii) How does the Board engage with Institutional Investors and how often?</p>	<p>The Board engages with Institutional investors at AGMs. Engagements are also done through periodic and continuous disclosures to the market.</p>
<p>Principle 23: Protection of Shareholder Rights <i>"Equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, promote good governance"</i></p>	<p>i) Does the Board ensure that adequate and timely information is provided to the shareholders on the Company's activities? Yes/No</p>	<p>Yes. This is done through continuous disclosures via the Issuers Portal of the NGX, Company website and Annual Reports.</p>
<p>Principle 24: Business Conduct and Ethics <i>"The establishment of professional business and ethical standards underscore the values for the protection and enhancement of the reputation of the Company while promoting good conduct and investor confidence"</i></p>	<p>i) Does the company have a Board-approved Code of Business Conduct and Ethics (COBE) that guides the professional business and ethical standards? Yes/No If yes: a) Has the COBE been communicated to all internal and external Stakeholders? Yes/No b) Is the COBE applicable to any or all of the following: 1. Board 2. Senior management 3. Other employees 4. Third parties</p>	<p>Yes. The Company has a Board approved Code of Ethics and Professional Conduct, applicable to Employees, Management, and Directors, but needs to be better communicated to all stakeholders.</p>
	<p>ii) When was the date of last review of the policy?</p>	<p>Date of last review was 2020</p>
	<p>iii) Has the Board incorporated a process for identifying, monitoring and reporting adherence to the COBE? Yes/No</p>	<p>Yes.</p>
	<p>iv) What sanctions were imposed for the period under review for non-compliance with the COBE?</p>	<p>No identified non-compliance for the period under review.</p>
<p>Principle 25: Ethical Culture <i>"The establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities, mitigates the adverse effects of these abuses on the Company and promotes good ethical conduct and investor confidence"</i></p>	<p>i) Is there a Board-approved policy on insider trading? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy?</p>	<p>Yes. There is a Board approved Securities Trading Policy which deals with Insider trading. - It was last reviewed in April 2023. - The Board monitor's compliance through CSCS reports submitted by the Registrars, notice of closed periods and continuous education of insiders.</p>
	<p>ii) Does the company have a Board approved policy on related party transactions? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following: 1. Board 2. Senior management 3. Other employees (Specify) 4. Third parties (Specify)</p>	<p>Yes. Last reviewed 28th April 2022. Related party transactions are reported to the Board for necessary review and approval. The related party does not participate in the review. Appropriate disclosures are made in the annual report. The Policy is applicable to Board members, the Executive Management Team and persons related to them.</p>

	iii) How does the Board ensure adequate disclosure of Related Party Transactions by the responsible parties?	The Board will adopt the use of periodic disclosure forms
	iv) Does the company have a Board-approved policy on conflict of interest? Yes/No If yes: a) When was the last date of review? b) How does the Board monitor compliance with this policy? c) Is the policy applicable to any or all of the following: 1. Senior management 2. Other employees (Specify)	Yes. It was last reviewed on the 4 th of November 2020. The Board monitors compliance with this Policy by ensuring appropriate periodic disclosures. It is also included on the agenda of all Board and Board Committee meetings The Policy is applicable to employees Senior Management and the Board.
Principle 26: Sustainability "Paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long-term business performance and projects the Company as a responsible corporate citizen contributing to economic development"	i) Is there a Board-approved sustainability policy? Yes/No If yes, when was it last reviewed?	Yes. The Policy was reviewed and approved on the 28 th of April 2022.
	ii) How does the Board monitor compliance with the policy?	Through a reporting template and checklist.
	iii) How does the Board report compliance with the policy?	Relevant reports will be made through the Annual Report.
	iv) Is there a Board-approved policy on diversity in the workplace? Yes/No If yes, when was it last reviewed?	Yes. It was last reviewed on the 30 th of August 2021
Principle 27: Stakeholder Communication "Communicating and interacting with stakeholders keeps them conversant with the activities of the Company and assists them in making informed decisions"	i) Is there a Board-approved policy on stakeholder management and communication? Yes/No	Yes.
	ii) Does the Company have an up to date investor relation portal? Yes/No If yes, provide the link.	The Company has a functional website www.neimethplc.com.ng , which has an investor page where relevant information is uploaded and updated.
Principle 28: Disclosures "Full and comprehensive disclosure of all matters material to investors and stakeholders, and of matters set out in this Code, ensures proper monitoring of its implementation which engenders good corporate governance practice"	i) Does the company's annual report include a summary of the corporate governance report? Yes/No	The annual report includes a statement on the progress Neimeth has made in complying with corporate governance on an ongoing basis.
	ii) Has the company been fined by any regulator during the reporting period? Yes/No If yes, provide details of the fines and penalties.	No.

Section F – Certification

We hereby make this declaration in good faith and confirm that the information provided in this form is true.

Chairman of the Board of Directors

Name: Dr. A. B. C. Orjiako

Signature: 

Date: 28th March 2024

Chairman of the Committee responsible for Governance

Name: Mr. Thomas T. Osobu

Signature: 

Date: 25th March 2024

Managing Director/Chief Executive Officer

Name: Pharm. Valentine C. Okelu

Signature: 

Date: 21st March 2024

Ag. Company Secretary/Head of Compliance

Name: Mrs. Chinenye S. Adekanmbi

Signature: 

Date: 21st March 2024