

REMUNERATION POLICY OF McNICHOLS CONSOLIDATED PLC

1. The disclosure on Directors' Remuneration is made pursuant to the Governance Codes and Regulations issued by the Central Bank of Nigeria, Nigeria Stock Exchange (NSE) and the Securities and Exchange Commission.

The Company has a formal Board Remuneration policy which is consistent with its size and scope of operations. The policy focuses on ensuring sound and corporate governance practices as well as sustained and long-term value creation for shareholders.

2. The policy aims to achieve the following;
 - 1.1 To motivate the director's to promote the right balance between short and long term growth objectives of the Company while maximizing shareholders return;
 - 1.2 To enable the Company attract and retain directors with integrity, ability, experience and skills to deliver the company's objectives;
 - 1.3 To promote compliance with global regulatory trends and governance requirements with emphasis on long-term sustainability;
 - 1.4 To align individual rewards with the Company's performance, the interests of shareholders and a prudent approach to risk management;
 - 1.5 To ensure that remuneration arrangements are equitable, transparent, well communicated, easily understood, aligned with the interest of shareholders and adequately disclosed.
3. Remuneration Structure:
 - 3.1 The Company has a formal Board Remuneration Policy which is consistent with its size and scope of operations and is designed to address the compensation of both the Executive Directors and Non-Executive Directors.
 - 3.2 Executive remuneration at McNichols Consolidated Plc is structured to provide a solid basis for succession planning and to attract, retain and motivate the right calibre of staff required to achieve the Company's business objectives.
 - 3.3 Executive compensation is tied to specific deliverables and includes fixed pay components. Fixed pay includes basic salary, transport, housing and other allowances. These are paid monthly, quarterly or annually as appropriate.
 - 3.4 The board makes recommendations on all matters relating to Directors remuneration. The Executive Directors are not involved in decisions on their own remuneration.
4. Remuneration Elements, objectives, payment mode and payment details of Executive Directors;
 - 4.1 Basic pay aimed at attracting and retaining talent in the competitive market on a monthly/quarterly/annual basis which is reviewed every 2 years and changes made on need basis and market findings, also salaries for all roles are determined with reference to applicable relevant market practices.
 - 4.2 Benefits and prerequisites aims at reflecting market value of individuals and their role within the company. The actual items are provided or the cash equivalent for

one year is given and it is reviewed periodically in line with the contract of employment.

4.3 Retirement benefits which is effected in the event of retirement and is paid as at when due. This is reviewed periodically as at when due.

5. Non-Executive Directors Remuneration:

5.1 The Non-Executive Directors remuneration is structured to conform to prevailing regulations and is set at a level that is at par with market developments reflects their qualifications, contributions required and the extent of their responsibilities and liabilities.

5.2 The Non-Executive Directors are paid an annual fee in addition to reimbursable expenses incurred in the course of their role as Board members, where not provided directly by the company. The annual fee is approved by shareholders at the Annual General Meeting in each year and is paid quarterly in arrears. They also receive a sitting allowance for each meeting attended by them but do not receive any performance incentive payments.

5.3 An annual fee is aimed at attracting individuals with relevant skills, knowledge and experience. It is paid quarterly and reviewed every 2 years and changes made on a need to basis subject to shareholder approval at the AGM.

5.4 Sitting allowances is aimed at recognizing the responsibilities of the Non-executive Directors and to encourage attendance and participation at designated committees assigned to them. It is paid per meeting and reviewed every 2 years and changes are made on a need to basis subject to shareholder approval at the AGM.

6. The company periodically benchmarks its remuneration practices against peer organizations whose business profiles are similar to its own.

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Director

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Director