

# VALEANT PHARMACEUTICALS INTERNATIONAL, INC.

## CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

### 1. PURPOSE

The Nominating and Corporate Governance Committee (the “**Committee**”) of Valeant Pharmaceuticals International, Inc. (“**Valeant**”) is appointed by the board of directors of Valeant (the “**Board**”) to assist and provide advice or recommendations to the Board on Director nomination and corporate governance matters and such other matters as are set out in this Charter or as may otherwise be assigned to the Committee by the Board.

### 2. COMMITTEE MEMBERSHIP

#### 2.1 Composition of Committee

The Committee shall consist of at least three members.

#### 2.2 Qualification and Independence of Members

The members of the Committee (a) shall be independent Directors, as such term is defined by all applicable regulatory and stock exchange requirements as in effect from time to time; and (b) shall qualify as “Non-Employee Directors” for purposes of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

#### 2.3 Appointment and Removal of Members of the Committee

The members of the Committee shall be appointed and replaced from time to time by the Board on the recommendation of the Committee.

Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. The Board may fill vacancies on the Committee by appointment from among qualified members of the Board on the recommendation of the Committee.

#### 2.4 Committee Chairperson

The Chairperson of the Committee shall be appointed by the Board.

The designation of the Committee’s Chairperson shall take place annually at the first meeting of the Board after a meeting of shareholders at which Directors are elected, provided that if the designation of Chairperson is not so made, the Director who is then serving as Chairperson shall continue as Chairperson until his or her successor is appointed.

### 3. COMMITTEE RULES OF PROCEDURE

#### 3.1 Committee Meetings

The Committee shall meet as frequently as necessary to carry out its duties and responsibilities under this Charter.

The Chairperson or any member of the Committee may call a special meeting of the Committee at any time. The Committee may ask any officer or employee of Valeant, or any representative of Valeant's advisors, to attend any meetings and to provide such pertinent information as the Committee may request or to meet with any members or representatives of the Committee.

A majority of the members of the Committee shall constitute a quorum to transact business. The affirmative vote of a majority of the members of the Committee present at the time of such vote shall be required to approve any action of the Committee.

Members of the Committee may participate in a meeting of the Committee by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Subject to the requirements of any applicable law, regulation or rule, any action required or permitted to be taken at a meeting of the Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the Committee. Such written consent shall have the same force as a unanimous vote of the Committee.

Committee members may raise any subjects that are not set on the agenda by the Chairperson.

### 3.2 Executive Sessions

At any meeting of the Committee, an opportunity shall be provided for any member of the Committee to request that the Committee meet in executive session during such meeting. "Executive session" shall mean a session at which the members of the Committee meet without the attendance of officers or employees of Valeant, legal counsel, advisors or other non-members of the Committee.

### 3.3 Reporting

The Committee shall regularly report directly to the Board with respect to the Committee's activities, as appropriate.

## 4. REMUNERATION OF COMMITTEE MEMBERS

### 4.1 Committee Members

Members of the Committee and the Chairperson shall receive such remuneration for their service on the Committee as the Board may determine from time to time on the recommendation of the Committee.

### 4.2 Directors

The Committee shall make recommendations to the Board with respect to

Director compensation.

5. **COMMITTEE AUTHORITY**

5.1 **Retaining and Compensating Advisors**

The Committee, under the direction of the Chairperson of the Committee, shall have the sole authority to retain, at Valeant's expense, and terminate any outside firm or other advisor engaged to assist it in carrying out its duties, including identifying director candidates, and to retain outside counsel and any other advisors (each, an "**Advisor**") as the Committee may deem appropriate in its sole discretion. The Committee shall promptly notify the Chairperson of the Board or the Lead Independent Director, as and if appropriate, of the retention of any such Advisor. The Committee shall have sole authority to approve related fees and retention terms of any such Advisor.

5.2 **Access**

The Committee shall have reasonable access to Valeant's personnel and documents and the resources necessary to carry out its responsibilities.

5.3 **Subcommittees**

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee, subject to any restrictions imposed by any applicable regulatory or stock exchange requirements.

## **DUTIES AND RESPONSIBILITIES**

The Committee is responsible for performing the duties set out below as well as any other duties that are otherwise required by law or are delegated to the Committee by the Board.

6. **NOMINATION OF DIRECTORS**

6.1 **Evaluating Competencies and Skills**

The Committee shall provide recommendations to the Board with respect to the following matters:

- (a) the competencies and skills the Board, as a whole, should possess;
- (b) the needs of individual committees of the Board, particularly with respect to anticipating retirements of Chairpersons and committee members;
- (c) the competencies and skills each existing Director possesses and which the Board as a whole therefore possesses;
- (d) the independence of Directors in accordance with all statutory, regulatory and stock exchange requirements and guidelines and any additional independence

criteria established by the Board from time to time; and

- (e) the personality and other qualities of each Director, as these may ultimately determine the boardroom dynamic.

## 6.2 Identifying and Recommending Nominees

The Committee shall identify the individuals qualified to become new Directors and recommend to the Board new nominees for election by shareholders or for appointment by the Board. In making its recommendations of nominees to the Board, the Committee shall consider:

- (a) any selection criteria approved by the Board from time to time, including such knowledge, experience, skills, expertise and diversity (as provided in Valeant's Board Diversity Policy) that the Board considers to be necessary for the Board, as a whole, to possess;
- (b) the independence of each candidate in accordance with all statutory, regulatory and stock exchange requirements and guidelines as in effect from time to time and any additional independence criteria established by the Board from time to time;
- (c) whether or not each candidate can devote sufficient time and resources to his or her duties as a Board member;
- (d) the competencies and skills that the Board considers each existing Director to possess;
- (e) the competencies and skills each new candidate would bring to the Board;
- (f) in evaluating current directors for re-nomination to the Board or re-appointment to any Board committees, the performance of such directors;
- (g) the strategic direction of Valeant; and
- (h) recommendations, if any, from Valeant's shareholders.

The Committee shall also evaluate potential retirement and other departures of existing Directors.

## 6.3 Exception

If Valeant is legally required by contract or otherwise to provide third parties with the right to nominate one or more Directors, the Committee shall have no responsibility for the selection and nomination of such Directors.

## 6.4 Director Resignations

The Committee shall consider resignations tendered by Directors pursuant to

Valeant's majority voting policy or otherwise in accordance with Valeant's Corporate Governance Guidelines.

7. **CORPORATE GOVERNANCE AND DISCLOSURE**

7.1 **Approach to Corporate Governance**

The Committee shall annually review and recommend revisions, if any, to the Board regarding Valeant's approach to corporate governance. Among other things, the Committee shall:

- (a) annually recommend to the Board for approval corporate governance practices, policies and procedures applicable to Valeant, including recommended revisions to Valeant's Corporate Governance Guidelines;
- (b) if not otherwise mandated by the Board, develop charters for any new committees established by the Board;
- (c) monitor relationships between management of Valeant and the Board and recommend procedures to allow Directors to have access to, and an effective relationship with, management;
- (d) ensure the proper flow of information to the Board and consider the adequacy and timing of materials provided to the Board in support of management's proposals;
- (e) be available as a forum for addressing the concerns of individual Directors;
- (f) work with the Chairperson of the Board to foster a healthy corporate governance culture within Valeant;
- (g) monitor emerging best practices in corporate governance to consider whether such practices would be advisable for Valeant;
- (h) keep informed of new corporate governance rules and regulations applicable to Valeant and recommend to the Board appropriate changes in Valeant's corporate governance policies and practices; and
- (i) be responsible for all tasks assigned to it in Valeant's Corporate Governance Guidelines

7.2 **Governance Disclosure**

The Committee shall review and recommend to the Board for approval the "Statement of Corporate Governance Practices" section of Valeant's management proxy circular and disclosure describing the assessment process for Board members.

7.3 **Director Compensation**

The Committee shall review Director compensation periodically and, when such Committee determines that it is appropriate to recommend any changes thereto, it shall make recommendations to the Board.

8. **BOARD EFFECTIVENESS**

8.1 **Board Size and Composition**

The Committee shall, on an annual basis, examine the size of the Board, and review the composition and mandate of the Board with a view to maintaining a Board comprised of members who facilitate effective decision-making.

8.2 **Independence**

The Committee shall recommend to the Board structures and procedures to enable the Board to function independently of management, including procedures to permit the independent Directors to meet on a regular basis, and not less frequently than every Board meeting, without management or non-independent Directors present, and shall oversee the development and implementation of any such structures and procedures approved by the Board.

8.3 **Committees of the Board**

The Committee shall, on an annual basis, review the composition and mandate of each committee of the Board and recommend to the Board any changes it considers necessary or desirable with respect to the structure of such committees, including:

- (a) the charters of each committee;
- (b) the criteria for membership on any committee;
- (c) the composition of each committee;
- (d) the Chairperson for each committee;
- (e) the appointment and removal of members from any committee;
- (f) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and
- (g) the process by which each committee reports to the Board, assessing the channels through which information is received and the quality and timeliness of the information received.

8.4 **Delineating Board Responsibilities**

The Committee shall, on an annual basis, review and recommend to the Board any revisions to the position descriptions for the Chairperson of the Board, the Lead Independent

Director of the Board, if any, and the Chairperson of each Board committee.

8.5            Succession Planning

The Committee shall make recommendations to the Board with respect to Board succession including policies and principles for Director retirement standards, Chairperson of the Board and Lead Independent Director selection and performance review with respect to potential successors to the Chairperson of the Board and Lead Independent Director.

9.            **ORIENTATION AND CONTINUING EDUCATION**

The Committee shall oversee the orientation process for each new Director.

The Committee shall oversee the continuing education program for all Directors.

10.          **BOARD, COMMITTEE AND INDIVIDUAL DIRECTOR ASSESSMENT**

The Committee shall oversee the discharge of the Board's assessment duties and to this end shall:

- (a) annually recommend to the Board a process for assessing, and providing feedback regarding the performance and effectiveness of:
  - (i) the Board as a whole in fulfilling its duties as set out in its mandate;
  - (ii) the committees of the Board in fulfilling their duties as set out in their respective charters and in a manner consistent with the mandate adopted by the Board; and
  - (iii) the individual Directors, which takes into account, among other things, self-assessments, confidential peer-review surveys completed by each Director, and the competencies and skills that each Director is expected to bring to the Board;
- (b) report annually to the Board, in such form as the Committee shall consider appropriate, on the results of its assessments of Board and committee performance, the contributions of individual Directors and the performance and contribution of the Chairperson of the Board, the Lead Independent Director, if any, and the Chairperson of each committee of the Board;
- (c) assist the Board in providing feedback to assessed Directors and, where appropriate, timely corrective action (including potentially recommending that the Board not re-nominate Directors who are no longer effective) in response to the results of the assessments of the Board, its committees, the individual Directors, the Chairperson of the Board, the Lead Independent Director, if any, and the Chairperson of each committee of the Board; and
- (d) oversee the evaluation of the Board and management.

11. **INSURANCE AND INDEMNIFICATION**

The Committee shall make recommendations to the Board with respect to insurance and indemnification matters for Valeant's Directors and officers.

12. **COMMITTEE WORK PLAN**

The Committee shall annually develop a work plan to identify and set timeframes for the duties it is responsible for performing. The Committee shall regularly monitor its compliance with performing such duties within the timeframes specified in the work plan.

13. **RELIANCE ON MANAGEMENT AND OTHERS**

The Committee is entitled to rely in good faith on information and advice provided to it by management, advisors, consultants and such other persons as the Committee considers appropriate.

14. **ANNUAL PERFORMANCE EVALUATION**

On an annual basis, the Committee shall follow the process established by it and adopted by the Board (referred to in Section 10 above) for all committees of the Board for assessing the performance and effectiveness of the Committee, including a review of its compliance with this Charter.

15. **CHARTER REVIEW**

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Board any changes it deems appropriate, including to account for best practice guidelines recommended by, and to ensure compliance with any rules or regulations disseminated by, securities regulators and stock exchanges, to the extent appropriate for Valeant.

16. **WEBSITE POSTING**

This Charter shall be included on Valeant's website and shall be made available in print upon request sent to Valeant's Corporate Secretary.

Dated this [2]<sup>nd</sup> day of August, 2017.