

**CONSOLIDATED  
COMPENSATION, NOMINATING AND CORPORATE GOVERNANCE COMMITTEE  
CHARTER OF EMMAUS LIFE SCIENCES, INC.**

**Adopted November 8, 2013**

This consolidated charter of the Compensation, Nominating and Corporate Governance Committee (the “Committee”) of EMMAUS LIFE SCIENCES, INC. (“EMMAUS”) amends and supersedes the previously adopted charters of the Compensation Committee and Nominating and Corporate Governance Committee of the EMMAUS Board of Directors (the “Board”). These two committees, previously separate, are henceforth combined into a single committee until the Board elects to separate them.

**I. Purpose**

The purpose of the Committee IS TO:

- provide assistance to the Board of Directors (the “Board”) in identifying and recommending individuals qualified to serve as directors of EMMAUS.;
- to review the composition of the Board; and
- to adopt and publish Corporate Governance Guidelines and annually review and recommend corporate governance policies for EMMAUS and to evaluate periodically the performance of the Board relative to those guidelines.
- review on behalf of and recommend to the Board the EMMAUS compensation policies and programs in the light of this compensation strategy.
- approve the employment contracts and the individual compensation for selected key executives and perform such other tasks as may be delegated to it by the Board from time to time.

Pay for performance is the guiding principle of the compensation strategy of EMMAUS. EMMAUS aims to reward those employees who achieve competitive business results; help EMMAUS grow; and exemplify our EMMAUS values. The compensation strategy strives to strengthen the performance-oriented culture and reinforce entrepreneurial behavior resulting in contributions that motivated and dedicated employees make to sustain superior business results.

The Committee reviews on behalf of and recommends to the Board the EMMAUS compensation policies and programs in the light of this compensation strategy. The Committee also approves the employment contracts and the individual compensation for selected key executives and will perform such other tasks as may be delegated to it by the Board from time to time.

The Committee shall report on its activities periodically to the Board.

**II. Powers and Duties**

For compensation matters, the Committee shall have the following roles and responsibilities:

1. Recommend and periodically review the EMMAUS compensation policies and programs for approval by the Board.
2. Advise the Board on the compensation of Board members.
3. Approve the employment agreements (including substantive changes thereto and payments upon termination) for the Chief Executive Officer (“CEO”) and the executives mentioned under subparagraph (5) below.
4. Decide on the variable compensation including special awards for the CEO for the past year based on his performance evaluation, prepared by the Chairman of the Board and followed by the feed-back session with the Board, and decide on the base salary and the total target compensation of the CEO for the coming year based on all relevant factors, including his objectives relevant to his compensation and market data. The CEO may not be present during voting or deliberations.
5. Decide, based on the achievement of financial and nonfinancial objectives, on the variable compensation, including special awards, of non-CEO executive officers of EMMAUS, business unit heads, nominated key corporate executives and other executives with a target total compensation in excess of USD \$500,000 and decide on the base salary and target compensation for such persons for the new year taking into account relevant market data. Create and approve 162(m) criteria for performance objectives and criteria.
6. Inform the Board about policies, programs and key decisions as well as statistical comparisons and benchmarking of compensation levels at key competitors.
7. Review and approve any reports of the Compensation Committee to be included in EMMAUS’ Securities and Exchange Commission (“SEC”) filings or otherwise publicly disseminated.

For matters related to nominations and corporate governance, the function, powers and duties of the Committee are as outlined below:

1. Identify qualified individuals to serve as members of EMMAUS’ Board. In identifying candidates for membership on the Board, the Committee shall take into account all factors it considers appropriate, which may include (a) ensuring that the Board, as a whole, is diverse and consists of individuals with various and relevant career experience, relevant technical skills, industry knowledge and experience, financial expertise (including expertise that could qualify a director as an “audit committee financial expert,” as that term is defined by the rules of the SEC), local or community ties and (b) minimum individual qualifications, including strength of character, mature judgment, time availability, familiarity with EMMAUS’ business and industry, independence of thought and an ability to work collegially. The Committee also may consider the extent to which the candidate would fill a present need on the Board.

2. Review the qualifications and performance of incumbent directors to determine whether to recommend them to the Board as nominees for reelection.
3. Review and consider candidates who may be suggested by any director or executive officer of EMMAUS or by any stockholder if made in accordance with EMMAUS' charter, bylaws and applicable law.
4. Consider nominees for the Board recommended in good faith by stockholders of EMMAUS, provided those nominees meet the requirements of the market or exchange on which EMMAUS' securities are listed or quoted and of EMMAUS' bylaws.
5. Recruit and recommend to the Board qualified nominees for new or vacant positions on EMMAUS' Board.
6. Review and recommend to the Board, after consulting with the Chairman of the Board and the Chief Executive Officer, directors to serve as members of the various committees of the Board.
7. Review considerations relating to board composition, including size of the board, term and age limits, and the criteria for membership on the Board.
8. Review periodically the management succession plan of EMMAUS and recommend to the Board a successor to the chief executive officer when a vacancy occurs.
9. Review and recommend corporate governance policies, including those relating to the structure and operations of the Board, and develop and recommend a Code of Business Conduct and Ethics for EMMAUS' directors, officers and employees.
10. Not less frequently than annually, evaluate the performance of the Board, assess its contribution to EMMAUS and evaluate the effectiveness of the current policies and practices of the Board.
11. Review the orientation process and the continuing education program for all directors, as may be required by applicable listing standards or other regulatory requirements.
12. Monitor, oversee and review compliance with EMMAUS' Code of Business Conduct and Ethics and other applicable policies of EMMAUS; provided, however, that monitoring of compliance with the provisions of the Code of Business Conduct and Code of Ethics that relate to accounting disclosures or regulations of the SEC or The Nasdaq Stock Market, Inc. ("NASDAQ") or misrepresentations of or omissions from financial statements or related financial information shall be referred to EMMAUS' Audit Committee for action.
13. Serve as the initial reviewing body for allegations of violations of the Code of Business Conduct and Ethics or requests for waivers of the provisions of the Code of Business Conduct and Ethics by a director or executive officer of EMMAUS; provided, however, that the initial review of allegations of violations or request for waiver of the provisions of

the Code of Business Conduct and Ethics that relate to accounting disclosures or regulations of the SEC or NASDAQ, or misrepresentations of or omissions from financial statements or related financial information shall be referred to EMMAUS' Audit Committee for action.

14. Make recommendations to the Board about responses to communications with regulatory authorities and agencies arising out of inquiries and/or investigations relating to the Code of Business Conduct and Ethics and EMMAUS' Insider Trading Policy, and applicable state and federal laws, to the extent the Committee deems necessary or appropriate. Issues relating to inquiries or investigations regarding the quality of financial reports filed by EMMAUS with the SEC or otherwise distributed to the public shall be referred to the Audit Committee for action.
15. Meet with the Chairman of the Board prior to each meeting of the Board to review the meeting agenda and make recommendations regarding items to be included on the meeting agenda.
16. Make such recommendations to the Board as the Committee may consider appropriate and consistent with its purpose, and take such other actions and perform such services as may be referred to it from time to time by the Board.
17. The Committee will review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval. The Committee will annually evaluate the Committee's own performance.

### **III. Composition of Committee**

The Committee shall consist of three or four members of the Board as the Board shall specify from time to time, all of whom satisfy the definition of "independent" under the listing standards of NASDAQ or any other market or exchange on which EMMAUS's securities may be listed or quoted from time to time. All Committee members shall also be "non-employee directors" as defined by Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and, if desirable, "outside directors" as defined by Section 162(m) of the Internal Revenue Code. The Committee members will be appointed by the Board and may be removed by the Board in its discretion.

The Board will designate one member of the Committee as its chairperson.

The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors.

### **IV. Meetings**

The Committee shall meet at least two times a year and more frequently as necessary or appropriate, including teleconferences when appropriate. Special meetings of the Committee

may be called on one-day notice by the Chairman of the Board or the Committee Chairman. A majority of the Committee shall constitute a quorum, and the Committee shall act only on the affirmative vote of a majority of the members present at the meeting; provided that the Committee may form and delegate authority to subcommittees or members when appropriate. The Committee shall maintain minutes of all meetings documenting its activities and recommendations to the Board.

#### **V. Committee Access and Resources**

In carrying out its responsibilities, the Committee shall have access to all of EMMAUS' books, records, directors, officers and employees. The Committee shall have the authority to consult with EMMAUS' counsel. It shall also have the authority to employ any counsel or other advisor of its selection and any compensation consultant assisting in the evaluation of Board member or senior executive compensation, and shall have authority to approve the consultant's fees and other retention terms, at EMMAUS' expense, should the Committee deem it appropriate or desirable to do so. The Committee shall have sole authority to retain and terminate any such counsel or advisor, including sole authority to approve the firm's fees and other retention terms.