

## **CARIBBEAN ASSURANCE BROKERS LIMITED**

### **BOARD TERMS OF REFERENCE**

#### **I. GOVERNANCE STATEMENT:**

- a) Caribbean Assurance Brokers Limited (*hereinafter called "CAB" or "the Company"*) was incorporated on June 13, 2005, under the Companies Act of Jamaica. In maintaining the highest standards of corporate governance of the company the Board of CAB ensures that the operations of the Company are structured to satisfy compliance with the Companies Act and any other required legislation and regulations
- b) The Board of CAB was collectively given the mandate by its shareholders to assume full responsibility for the growth, policies, sustainability, general direction, and oversight of the affairs of the Company. The Board, through the Chairman, works closely with Board Committees and management to ensure the Company's efficient and effective operations.
- c) The Board is committed to maintaining the highest level of transparency, accountability and integrity in all the company's operations and will ensure the maintenance of high ethical standards of all employees and Directors in line with the organization's stated vision.
- d) Each Director is required to act honestly and in good faith and to collectively ensure that the organization carries out activities within its prescribed purpose. Additionally, the Board has collective responsibility for all strategic decisions made by the Board.
- e) These Board Terms of Reference (the Charter) which have been adopted by the Company's Board of Directors are prepared on the basis of and incorporates certain provisions of the Companies Act and CAB's Articles of Incorporation. This Charter is to be read in tandem with the Terms of Reference (TOR) of the various Board Committees, provided that in the event of any incongruence with any Committee Terms of Reference, these Board Terms of Reference shall supersede any such Committee Terms of Reference. These principles and policies are in addition to and are not intended to change, supersede or interpret any national law or regulation, including the Companies Act, or the Articles of Incorporation of CAB.

#### **2. BOARD'S MANDATE:**

The Board shall provide strategic leadership and oversight over the management of the Company's business and affairs while actively participating in the development of the Company's strategic direction. More specifically, CAB's mandate includes:

- (a) setting the Company's values and ethical standards and ensuring that its obligations to stakeholders are understood and met;
- (b) regularly reviewing with Management, the strategic environment, the emergence of new risks and opportunities and the implications for strategic direction;
- (c) approving strategic plans that take into account the Company's major risks and opportunities and overseeing the management of those risks;
- (d) facilitating discussions and approval of financial operations, policy issues, corporate governance principles and all other matters relating to the effective and efficient operations of the Company;
- (e) facilitating effective governance of the affairs of the Company;
- (f) putting policies in place to ensure the Company is duly diligent in meeting all requirements and obligations under law;
- (g) appointing, monitoring and assessing the performance of the Chief Executive Officer (CEO) and charging the CEO with the general management and direction of the business and the affairs of the Company;
- (h) ensuring the formulation, development and implementation of succession planning for the CEO;
- (i) ensuring that adequate and effective policies and systems are in place to monitor financial reporting, internal controls and risk management processes while providing systematic reviews of systems and structures in place at the Company;
- (j) establishing and monitoring annual targets for the Company in line with the long-term goals of the Organisation and maintaining oversight of the general business of the Company;
- (k) approving the annual budget and financial statements/accounts and monitoring monthly financial performance to ensure the financial viability of the Company and the efficient and effective use of its resources;
- (l) ensuring that the integrity and core values of the organisation are maintained;
- (m) ensuring the annual evaluation of the Board, its committees, the CEO & the Company Secretary;
- (n) approving expenditure limits within agreed limits; and

(o) establishing and maintaining a policy of Directors orientation and development for all Board members.

**3. BOARD COMPOSITION; APPOINTMENT, TERM, QUORUM & TRAINING:**

**a. BOARD PROFILE, SIZE, AND INDEPENDENCE:**

**3.1.1 Board Profile & Nomination:**

The Board, shall annually prepare a profile of its composition, considering the nature and growth direction of the Company's business, and the desired expertise and background of the directors (the "Company Competency Profile").

Based on the competency profile Directors may recommend director candidates consistent with the Board competency profile. The overall ability and experience of an individual shall assist in determining his or her suitability for the position.

**3.1.2. Size of Board:**

Article 82 of the Company's Articles of Incorporation prescribe that the number of Directors of the Company shall be determined by the Company in general meeting from time to time and until so determined shall not be less than two (2) nor more than twelve (12).

**3.1.3. General Compartment:**

The Board shall use its best efforts to ensure that:

- (a) its members can act critically and independently of one another;
- (b) each director's expertise is fully utilized in the performance of his or her role as a director;
- (c) the Board is diversified and each director's competency match the competency profile of the Company; and
- (d) the Board has adequate independent non-executive and non-executive directors.

**3.1.4 Independent Director:**

**An Independent Director is someone who:**

- (a) is not, and has not been, employed by the Company or any of its related entities at any time during the past two years;
- (b) is not, and has not been affiliated with an entity that acts as an advisor or consultant to the Company, nor is not and has not acted in such capacity at any time during the past one year;
- (c) does not currently have, nor has had any personal service contracts with the Company or its senior management at any time during the past two years;

- (d) does not receive and has not received any additional remuneration from the Company apart from a Director's remuneration, nor participates in the Company's performance-related payment plans;
- (e) is not a member of the immediate family of any individual who is, or had been at any time during the past two years, employed by the Company as a senior executive officer, or
- (f) is not, nor has been at any time during the past two years, affiliated with or employed by a present or former Auditor of the Company.

**3.1.5 Non-Executive Director:**

A Non-Executive Director is someone who holds no direct responsibility for the day-to-day management/operation of the company or managing its employees.

**3.2. BOARD APPOINTMENT, TRAINING, QUORUM AND TERM:**

**3.2.1 Appointment of Directors:**

- (a) All Directors shall be appointed by shareholders at annual general meetings.
- (b) Upon being selected for appointment, each Director shall receive a letter of appointment from the Chairman clearly stating the period of his or her appointment.
- (c) First time appointees to the Board will go through an orientation programme led by the Company Secretary which includes being provided with an Information Manual/Induction Package containing:
  - a. Introductory letter;
  - b. The organizational mandate/corporate vision;
  - c. Relevant legislation, regulations and JSE rules that MGL should comply with;
  - d. Calendar of Board meetings for the year
  - e. Contact details of all Directors and Executive Management
  - f. Committees' Terms of Reference
  - g. Organizational Structure
  - h. Board of Directors Charter
  - i. Code of Conduct
  - j. Strategic plan
  - k. Latest audited financial statements
  - l. Latest annual report

Directors will also have the opportunity to meet with Executive Management and other Directors as required.

**3.3. INDUCTION PROGRAMME, ONGOING TRAINING AND EDUCATION:**

**Director Induction Programme:**

- (a) Upon appointment, each Director shall participate in an induction programme that covers the Company's strategy, general financial and legal affairs, financial

and regulatory reporting by the Board, any specific aspects unique to the Company and its activities, and the responsibilities and expectations of a Director.

(b) The training of Directors is critical to ensure the maintenance of good governance. The Board through the Chairman and in collaboration with Committee Chairmen, will recommend such ongoing training for Directors as is necessary for them to maintain the knowledge and expertise required to better understand the operations of the Company and to properly discharge their role and function as Directors. The cost of such training shall be included in the Company's annual budget.

**Costs to CARIBBEAN ASSURANCE BROKERS LIMITED:**

(c) The costs of the induction course and any training or education shall be paid for by the Company.

**3.4. Quorum:**

As stated in Article 115 the quorum necessary for transacting a meeting of the Board may be fixed by the directors and unless so fixed shall be three ( 3 ) Directors.

**3.5. Tenure of Office and Reappointment:**

At the annual general meeting in every year one third of the Directors (except the Chief Executive Officer) for the time being or, if their number is not three (3) or a multiple of three (3), the number nearest one-third shall retire from office.

The Directors to retire every year shall be those who have been longest in office since their last election. A retiring Director shall be eligible for re-election.

**3.6 Resignation and or Retirement:**

A member of the Board may at any time resign or retire his or her office through instrument in writing addressed to the Chairman.

**4. CHAIRPERSON OF THE BOARD:**

**4.1** The Chairperson of the Board is primarily responsible for the activities of the Board and its committees; and is the principal contact for the CEO who shall meet regularly with the Chairperson.

**4.2** The Chairperson of the Board is also responsible for maintaining communication protocols with shareholders and stakeholders as required.

**4.3** The Chairperson presides over the meetings of the Board and in the absence or inability of the Chairperson to act, the members present and constituting a quorum shall elect one of the members present to perform the functions of the Chairperson.

**4.4** The Chairperson ensures that:

- (a) Directors, when appointed, participate in an induction programme and, as needed, additional education or training programmes;
- (b) the Directors receive all information necessary for them to perform their duties;
- (c) the Directors have sufficient time for consultation and decision-making;
- (d) the committees function properly and according to their respective Terms of Reference;
- (e) the performance of the overall Board, individual directors and committees are evaluated at least once every year;
- (f) the Board establishes and maintains an agreed protocol for communication with the organisation's management;
- (g) the Board establishes operating procedures for its meetings;
- (h) the Board fulfils its duties to all key stakeholders and promotes sustainability;
- (i) the agendas of Board meetings are in order and that minutes are kept of such meetings; and
- (j) internal disputes and conflicts of interest concerning individual Directors are addressed and resolved.

**5. DIRECTORS:**

**5.1. Role of a Director:**

As a member of the Board, each Director shall:

- (a) through the exercise of due diligence, fulfil the legal requirements and obligations of a Director in discharge of his/her fiduciary duties, namely: to act honestly and in good faith in the best interests of the Company and to exercise the due diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (b) recognize the Board's accountability to stakeholders in the governance of the Company and ensure that the best interests of the Company are considered paramount;
- (c) devote sufficient time to the Company's affairs;
- (d) assist the Company in the achievement of its strategic objectives;
- (e) ensure that he or she and the Board as a whole act in the best interests of the Company rather than in the interests of an individual Director or any other interests;
- (f) monitor his or her continued ability to meet these expectations; and
- (g) shall, if requested, join the Board Committees of the Company.

**5.2. Specific Conduct as a Director:**

To enable the Board to discharge its collective responsibilities for stewardship, including oversight and strategic leadership, each Director shall:

- (a) conduct himself or herself honestly, fairly, ethically and with integrity;
- (b) contribute views based on his or her unique skills and experience;

- (c) address any requests of Senior Management through the CEO;
- (d) monitor potential conflicts of interest he or she may have regarding any matters before the Board; and
- (e) declare any potential conflicts promptly to the Board and abstain from discussion and voting on any related matter

### **5.3. Role of CEO**

- a) The CEO reports directly to the Board through the Chairperson.
- b) The CEO is responsible for the day-to-day operations of the company and shall be held accountable for the effective and efficient implementation of Board approved strategic objectives.
- c) The CEO will operate as the chief spokesperson for the Company and will communicate with shareholders and stakeholders as required.
- d) The CEO shall ensure that annual performance appraisals are conducted for all his/her direct reports.
- e) The CEO shall have in place an appropriate succession plan for each direct report and this should be reviewed annually.

### **5.4. Duty to act properly:**

A Director who becomes aware of circumstances which are, or are likely to be perceived as likely to detract from his or her ability to act in accordance with his or her fiduciary duty, shall forthwith report such circumstances to the Board through the Chairperson or the Company Secretary. The need to consider such action may arise in the following circumstances:

- (a) a change in affiliation or employment;
- (b) being appointed to any position that creates, or appears to create inherently conflicting responsibilities; or
- (c) being unable to attend or participate in Board and Committee meetings consistent with the established standard.

### **5.5. Notice of Outside Positions:**

During the year Directors must inform the Board of their other positions which may be of importance to the Company or affect the performance of their duties as a Director. If the Board determines that there is a risk of a conflict of interest, the matter shall be fully discussed by the Board in accordance with section 6 of this Terms of Reference. The Company Secretary shall keep a list of the outside positions held by each Director.

## **6. CONFLICTS OF INTEREST OF DIRECTORS:**

### **6.1. Duty to Disclose:**

Upon appointment, each Director shall complete a Declaration of Interest form which will be maintained by the Company Secretary. A Director shall immediately report to the Board, any conflict of interest, potential or perceived conflict of interest and shall provide all relevant information, including but not limited to, information concerning spouse, registered partner or other life companion and the details of the conflict must be recorded by the Secretary. The Director concerned shall not take part in the assessment by the Board of whether a conflict of interest exists.

### **6.2. Related Party Transaction:**

A potential conflict of interest exists if the Company intends to enter into a transaction with a Related Party. A **'Related Party'** includes the following:

- (a) A Director of the Company;
- (b) the CEO and Senior Managers of the Company including anyone who reports directly to the Board or the CEO;
- (c) the father, mother, sons, daughters, husband, or wife of any of the natural persons listed herein; and
- (d) any person whose judgment or decisions could be influenced as a consequence of an arrangement or relationship between or involving themselves and any of the persons in paragraphs a-c above.

### **6.3. Abstention by Conflicted Party:**

Where conflicts of interest do occur, Directors must recuse themselves from the discussions in respect of those interests and shall not take part in any discussion or decision-making regarding any subject or transaction in which there is a conflict of interest with the Company or exercise their right to vote in respect of such matters.

### **6.4. Requirements to Approve Conflicts of Interest:**

All transactions in which there are conflicts of interest with Directors shall be agreed on terms that are customary for 'arm's-length' transactions in the Company's business. Decisions to enter into transactions in which there are conflicts of interest with Directors require the approval of the Board.

## **7. CONFIDENTIALITY:**

### **7.1. Principle of Confidentiality:**

**Confidential Information** means all data and information relating to the business, management and affairs of the Company, its customers and partners, which are, or come to be, in the possession of the Company by virtue of his or her office as Director and which is not in the public domain.



- 7.2. As a general rule, each Director shall keep all Confidential Information confidential and no Director shall use Confidential Information for personal gain or use. This obligation survives the termination or resignation of a Director as a Director of the Company.
- 7.3. Unless required to do so by law, no Director shall, during membership on the Board or afterwards, disclose any information of a confidential nature regarding business of the Company, that came to the person's knowledge in the capacity as a Director and which the person knows or should know to be of a confidential nature.
- 7.4. A Director may disclose such information to fellow Directors as well as to staff members of the Company who, in view of their activities for the Company should be informed of the information.
- 7.5. **Notice of Disclosure:**  
If a Director intends to disclose to third parties' information which the person has become aware of in duties and which may be confidential, the Director must inform the Board of the intent and the identity of the person who is to receive the information with sufficient notice for the Board to assess the situation and take a decision.

## 8. REMUNERATION OF DIRECTORS:

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors required to effectively run the Company successfully, taking into consideration all relevant internal and external factors. Directors are therefore remunerated in accordance with the Board's approved compensation policy.

## 9. COMPANY SECRETARY:

### 9.1. **Appointment:**

The Board shall appoint a Secretary who shall report directly to the Board through the Chairperson of the Board.

### 9.2. **Role:**

The Company Secretary is the secretary of the Board and its Committees and assists the Board in the execution of critical administrative and governance functions which demand a high degree of compliance and ethical conduct.

### 9.3. **General Access:**

All Directors may consult with the Company Secretary for advice on matters relating to the governance and administrative structures of the company.

### 9.4. **Key Responsibilities:**

(a) The Secretary sees to it that the Board follows correct procedures and that the Board complies with obligations under law.

(b) The Secretary shall assist the Chairperson of the Board in developing the annual Board work plan, co-ordinating the evaluation of the Board and its members; and

organizing the Board's activities (including providing information, preparing agendas, reports of meetings, evaluations and training programmes).

(c) The Secretary should prepare and circulate Board papers & Board minutes within the agreed time line of two ((2) weeks prior to the Board Meeting.

## **10. COMMITTEES, MEMBERSHIP & REPORTING:**

### **10.1. Establishment of Committees:**

- (a) To support the Board in effectively performing its duties the Board may from time to time establish Sub-Committees and the Board shall determine the members of any such committees.
- (b) The Board has established the following committees to govern areas of its operations:
- Corporate Governance Committee
  - Audit Finance Risk and Compliance Committee
  - Remuneration and Administration Committee
- (c) Notwithstanding the provisions of clause 10.1(b) the Board may establish additional committees as deemed necessary.
- (d) The Chairpersons of Board Committees shall be chosen by the Board.
- (e) The validity of the proceedings of a committee shall not be affected by any vacancy among the members thereof or any defect in appointment of a member thereof.

### **10.2. Invitees:**

- (a) Invitees to meetings shall not constitute part of the quorum and shall not be entitled to vote.

### **10.3. Board Responsibility for Committee Action:**

- (a) The Board remains collectively responsible for the decisions and actions taken by any committee.
- (b) A committee may only perform the tasks delegated to it by the Board and its powers may not exceed powers of the Board as a whole.
- (c) Decisions that by law must be taken by the Board may not be delegated to a committee.

### **10.4. Committee Reporting:**

- (a) Each committee must promptly inform the Board of major developments of which it becomes aware.
- (b) Each Director shall have unrestricted access to all committee meeting records.

(c) The Board shall, as set forth in the TOR of the committee concerned, receive a report from the committee describing the committee's actions and findings.

**10.5. Committee TOR:**

(a) The Board shall establish, and may by resolution, amend the TOR of each committee.

(b) The TOR shall indicate the role and responsibilities of the committee, its composition, structure, quorum requirements and how it should perform its duties.

(c) The TOR of a committee shall require that the committee has no less than two members.

**11. DUTIES AND PERFORMANCE OF THE BOARD:**

**11.1. General Duties of Board:**

The general duties of the Board include duties imposed by law, and this Terms of Reference.

**11.2. Responsibilities of Board:**

The Board oversees the general business of the Company. The entire Board is responsible for such supervision and oversight.

**11.3. The Directors act in the interest of the Company:**

The Directors shall act in the best interests of the Company and its business, taking into consideration the interests of the Company's shareholders. Directors shall perform their duties independent of any particular interest in the Company and should not support one interest without regard to the other interests involved.

**11.4. Quality of Performance:**

The Board is responsible for the quality of its own performance.

**11.5. Provision of Information:**

To assist the Board to fulfil its duties, the Chairperson and the CEO shall see to it that management, in a timely manner, provides the Board and its committees with the information they need to properly function.

**11.6. Responsibility for Securing Information:**

(a) The Directors each have responsibility for obtaining all information from management and the internal and external auditor needed to carry out their duties.

(b) If the Board thinks it is necessary it may obtain information from officers and external advisors of the Company.

(c) The Board may require certain officers and external advisors to attend, but not to vote, at its meetings.

**11.7. Access to Records:**

Each Director has access to the relevant books and records of the Company as necessary to discharge his or her function as a Director. Requests for such books and records must be routed through the CEO and copied to the Company Secretary.

**11.8. Use of Experts:**

(a) The Board may hire experts to assist or advise them and the cost of such experts shall be agreed to by the Board and shall be paid by the Company.

(b) A Board member may rely upon the advice of a relevant expert so long as the member has no reason to question the expert's report or conclusion.

**11.9 Proceedings**

The Board may regulate its own proceedings.

**12. DUTIES REGARDING THE SUPERVISION OF MANAGEMENT:**

**12.1. Nature of Supervision**

In supervising the management, the Board shall consider:

- (a) the achievement of the Board's objectives as set out in the strategic plan;
- (b) the strategy and risks in the Company's activities;
- (c) the structure and operation of the internal risk management and audit and control systems;
- (d) the financial reporting process;
- (e) whether expenditure has been in-keeping with the approved budget;
- (f) compliance with law and regulations; and
- (g) any other matters the law requires the Board to consider.

**12.2. Financial Reporting:**

The Board supervises the financial reporting in accordance with Section 14 below.

**12.3. Annual Risk Review:**

At least once a year, the Board shall discuss the Company's strategy and business risks, the management's assessment of the internal risk management and control systems, and any significant changes to such systems.

**12.4. Resolutions Subject to Approval:**

The following resolutions are subject to the approval of the Board:

- (a) determining and amending the operational and financial strategic objectives of the Company;
- (b) determining and amending key performance indicators in support of the strategic objectives (including, for example, any financial ratios);

- (c) any other matters that Jamaican laws or other regulations require the Board to approve;
- (d) such other matters as are reserved by the Board for its attention.

### **13. ANNUAL EVALUATION:**

#### **13.1. Board & Director Evaluation:**

The Board will conduct an annual performance evaluation of each Director, the Board on a whole and the Chairperson and all board committees. The evaluation process will be conducted in accordance with procedures established by the Board, and shall evaluate performance in line with the Company's set goals and objectives.

#### **13.2. CEO & Company Secretary Evaluation:**

The performance of the CEO and the Company Secretary are to be evaluated annually by the Board led by the Chairperson.

### **14. SUPERVISION OF FINANCIAL REPORTING:**

#### **14.1. General Supervision Responsibilities:**

(a) The Board, in consultation with the Audit Finance Risk and Compliance Committee, supervises compliance with written procedures for the preparation and publication of the annual report and quarterly unaudited financial accounts and any other financial information.

(b) The Board, through the Audit Finance Risk and Compliance Committee, also supervises the internal control and audit mechanisms for external financial reporting.

#### **14.2. Discussion of Financial Reports:**

(a) The Audit Finance Risk and Compliance Committee shall facilitate quarterly financial reporting requirements, and in any event as soon as possible, provide the Board with reports on the annual report and quarterly accounts.

(b) The annual report and audited accounts for the year just ended shall be discussed and approved in a meeting with the Board within four months of the year-end.

(c) The quarterly financial reports of the Company shall be discussed and approved in a meeting with the Board within forty-five days of the end of the period.

### **15. DUTIES REGARDING APPOINTMENT AND ASSESSMENT OF EXTERNAL AUDITOR:**

#### **Appointment of External Auditor:**

15.1. The external auditor of the Company shall be appointed by shareholders on the recommendation of the Board and must be a registered Public Accountant under the Public Accountancy Act.

#### **Representation by External Auditor:**

15.2. When appointed, the external auditor shall indicate its awareness of the Company's policies and other matters provided for in this TOR and the Terms of Reference of the

Audit Finance Risk and Compliance Committee and shall agree to abide by and promote such policies.

**Compensation of Auditor:**

- 15.3. Compensation of the external auditor and instructions to the external auditor to provide non-audit services shall be closely reviewed and approved by the Board on the recommendation of the Audit Finance Risk and Compliance Committee, thus ensuring the auditor's independence.

**Attendance of External Auditor:**

- 15.4. The Company shall ensure that the external auditor attends the meeting of the Board at which the report of the auditor with respect to the audit of the annual accounts is discussed and at which the Board decides whether or not to approve the annual accounts.

**Contact with External Auditor:**

- 15.5. The Board's principal contact with the external auditor is through the Chairperson of the Audit Finance Risk and Compliance Committee. If any irregularities in the financial reports are discovered, the first discussion regarding such irregularities in the financial reports should be between the Audit Finance Risk and Compliance Committee and the external auditor.

**15.6. Recommendations by External Auditor:**

The Board shall carefully consider and, if accepted, put into effect any recommendation by the external auditor. This will include recommendations made by the external auditor on the Company's internal control, as expressed in the 'management letter.'

**15.7 Reports to the Board:**

The Audit Finance Risk and Compliance Committee shall report its dealings with the external auditor to the Board on an annual basis, including its assessment of the external auditor's independence.

**15.8 Assessment of External Auditor:**

At least once every three years, the Audit Finance Risk and Compliance Committee shall conduct a thorough assessment of the functioning of the external auditor in the various entities and capacities in which the external auditor acts. The main conclusions of this assessment shall be communicated to the Board so it may assess the nomination for the reappointment of the external auditor.

**15.9 Conflicts of Interest – External Auditor:**

Conflicts of interest and potential conflicts of interest between the external auditor and the Board shall be resolved in accordance with the Audit Finance Risk and Compliance Committee's TOR laid down or as determined by the Board on the recommendation of the Audit Finance Risk and Compliance Committee. Directors shall inform the Chairperson of the Audit Finance Risk and Compliance Committee of any matters they know of that

may compromise the independence of the external auditor or that may result in a conflict of interest between the external auditor and the Company.

## **16 STRUCTURE OF BOARD MEETINGS:**

### **16.1 Notice and Agenda:**

A notice of each meeting together with an agenda for the meeting shall be circulated to all Directors at least **three (3) clear working days** prior to the meeting.

16.2 The Chairperson shall consult with the CEO prior to convening the meeting on the content of the agenda and the CEO and Directors shall have the right to request that an item be placed on the agenda for a Board meeting provided that the item is notified to the Chairperson at **least five days prior to the meeting**.

## **17. VENUE, FREQUENCY OF MEETINGS & ATTENDANCE:**

### **Venue of meetings:**

17.1. Board meetings may also take place at such places and times and on such days as the Board may determine.

17.2. As stated in Article 117, meetings of the Board may be held by conference call, video conference or by any other means of communication, provided all participants can communicate with each other simultaneously.

### **Frequency of Meetings:**

17.3. The Board shall meet at **least quarterly** for the year.

17.4. An annual schedule of Board meetings for the following year shall be agreed by the Board and circulated to Directors at the start of each calendar year.

17.5. Each year the Board reserves at least **one (1) full day** to discuss and develop strategic policies and to assess or review the Strategic Plan.

### **Special Meeting:**

17.6. It is within the power of the Chairperson to convene a meeting outside of scheduled meeting times as may be necessary and expedient for the transaction of business.

## **18. MEETING ATTENDANCE & PREPARATION:**

### **Attendance of Directors:**

18.1. Directors are expected to attend and actively participate in meetings of the Board and the committees on which they serve, and to meet as frequently as necessary to properly discharge their duties.

18.2. Attendance at the meetings by the Board must be recorded.

### **18.3. Attendance by CEO:**

The CEO shall attend all Board meetings unless it is necessary for him/her to be recused.

**18.4. Extended Absence:**

A Director who needs to be absent from Board meetings for more than three meetings, shall be required to explain to the Chairperson of the Board or the Committee (as applicable) the reason for such absence.

**19. COMMUNICATION:**

**19.1.** The Board is committed to providing timely, accurate and balanced information on the operations of the Company.

**20. MINUTES, RESOLUTIONS & PREFERENCE FOR UNANIMITY:**

**Minutes & Records:**

20.1 The Company Secretary is charged with the responsibility of recording accurate minutes of meetings and the decisions which are made at every Board meeting.

20.2. The minutes of the meeting must be confirmed by the Board and then signed by the Chairperson of the meeting and the Secretary and added to the Board's records.

20.3. Each Director shall receive a copy of the minutes.

**Resolutions & Adoption at Meeting:**

20.4. At a meeting, the Board may only pass resolutions if a quorum is present.

20.5. Urgent resolutions may be drawn up and adopted immediately in the relevant meeting.

20.6. The Directors shall try to arrive at unanimous decisions. However, Directors are encouraged to voice dissenting opinions and record these in the minutes when unanimity cannot be reached.

**Round Robin Resolutions:**

20.7. In the event that an urgent decision is required before the next scheduled meeting of the Board, a round robin may be circulated to all Directors for comment and/or voting. All comments and/or votes shall be recorded as noted in article 116.

20.8. A decision made by round robin shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held, and shall be noted at the subsequent meeting.

**Objection to Resolutions:**

20.9. A Director who objects to any resolution adopted by the Board shall have his or her objection recorded in the minutes.

20.10. Each Director has the right to cast one vote.



**Majority Vote:**

- 20.11. Where unanimity cannot be reached and the law does not prescribe a larger majority, all resolutions of the Board shall be adopted by a majority of the votes cast. In the event of an equality of votes, the Chairperson of the Board has a casting vote.

**21. MISCELLANEOUS:**

**Restriction on Loans and Guarantees:**

- 21.1. The Board may not grant personal loans, guarantees or the like to Directors.

**21.2 Agreement to be bound by Terms of Reference:**

Anyone who is appointed as a Director must, upon assuming office, declare in writing to the Company that the person accepts and agrees to comply with the provisions of this Terms of Reference. A corresponding reference to this extent is included in a Director's appointment letter.

**21.3 Indemnity:**

No action, suit, prosecution or other proceedings shall be brought or instituted personally against any member of the Board in respect of any act done *bona fide* in pursuance or intended execution of the Director's functions.

**21.4 Seal:**

The Seal of the Company shall be authenticated by the Chairperson of the Board or any Director authorized to act in that behalf.

**21.5. Website Disclosure:**

The Board's Terms of Reference and the TOR and the composition of the committees shall be posted on the Company's website.

**21.6 Interpretation:**

In case of uncertainty or difference of opinion on how a provision of this Terms of Reference should be interpreted, the Board shall make a decision in relation thereto.

**22.5 Partial Invalidity:**

If one or more provisions of this Terms of Reference are (or become) invalid, this shall not affect the validity of the remaining provisions. The Board may replace the invalid provision by provisions which are valid and the effect of which, given the contents and purpose of this Terms of Reference is to the greatest extent possible, similar to that of the invalid provisions.

**22.6 Entire Terms of Reference & Amendment:**

This document represents the entire Terms of Reference; and may, subject to relevant legislation be amended by the Board at its sole discretion.

**23. Terms of Reference Review:**

The Board shall review this Charter at least every two (2) years.

Mr. Raymond Walker  
**Executive Board Chairman**

Mrs. Gail Minott  
**Company Secretary**

**TERMS OF REFERENCE HISTORY**

First Approved: February 23, 2022  
Second Revision: April 29, 2023