

# **Jetcon Corporation Limited**

## **Corporate Governance Guidelines**

### **INTRODUCTION**

The Board of Directors of Jetcon Corporation Ltd represents the owners' interests in the Company in maintaining and growing a successful business, by adhering to the best practices in corporate governance. This is a continuous responsibility that requires the Board to regularly monitor the effectiveness of management policies, decisions and strategies and supervise the execution of management's duties.

To this end the Board meets frequently to discuss and review the performance of the company to ensure that objectives are being met by the management team, bearing in mind the economic, social and regulatory environment and the risks that may exist in the market in which the company operates. In all actions taken by the Board, the Directors are expected to exercise independent business judgement in what they believe to be the best interests of the Company.

### **FUNCTIONS OF THE BOARD**

The Board makes its decisions directly or through its established Sub Committees, and reviews and approves key policies and supervises the management of the Company in relation to:

- a. Business Strategy, including yearly operating budgets
- b. Business development initiatives
- c. Compliance with laws, regulations and codes of ethical business conduct
- d. Directors' compensation executive compensation and overall remuneration policies
- e. Financial Reporting
- f. Timely and accurate disclosure of information about the Company to shareholders, as well as the Jamaica Stock Exchange

The Chairman, Company Secretary and all Board Members have specific responsibilities.

The Chairman of the Board is responsible for chairing the Board, overseeing its effective operation, and for ensuring that information that Directors receive is sufficient to make informed judgements. The Chairman, in consultation with the Company Secretary, Committee Chairpersons and Managing Director, establishes the Agenda for each Board Meeting.

Directors are expected to regularly attend meetings of The Company's shareholders, Board meetings and meetings of Board Committees on which they serve, and to spend the time needed to prepare for and to meet as frequently as necessary to properly carry out their responsibilities. Prior to a meeting, Directors receive information and materials that are important to the Board's understanding of the business to be conducted in order to have adequate time for review.

During each financial year there will be a minimum of four (4) regular meetings of the Board, as stipulated by the JSE Junior Market regulations. Special meetings may occur at such other times as any

member of the Board may reasonably request. Each member is free to suggest items for inclusion on the agenda or to raise subjects that are not on the agenda for a meeting.

The Directors shall conduct an annual review of the Board's performance.

The Company Secretary is responsible for recording Board decisions and for disclosure of material information to shareholders and the JSE. Agendas for each meeting are done in consultation with the Chairman and Managing Director and Committee Chairpersons. The Company Secretary is appointed by, and can only be removed by the Board.

## **SELECTION OF THE BOARD AND COMPENSATION OF DIRECTORS**

Directors are required to apply a diversity of skill and knowledge in the execution of their responsibilities, and this is taken into account in the selection and composition of the Board.

The Board of the Company will have a maximum of ten (10) Directors. The number of non-executive members on the Board will exceed fifty percent of the total number of Directors.

Election, terms, re-election and retirement of each Board Member shall be consistent with the Company's Articles of Incorporation, Article 99. The compensation Committee is responsible for keeping under review the composition of the Board and succession to it.

Only Non-Executive Directors receive compensation for their Board duties. The level of compensation for these Directors reflects their time, commitment and responsibilities. The compensation package is designed to retain and motivate Non-executive Directors to carry out their duties to the highest standard.

## **CONFLICTS OF INTEREST**

In the event of any decisions or actions taken by the Board, where a Board Member may have conflict of interest in the topic at hand, said Board Member shall recuse themselves from the voting process.

## **BOARD COMMITTEES**

The Board has established two (2) committees, each with clearly defined terms of reference, responsibilities, procedures and powers. The Chairman shall not be a member of any Committee.

### **FINANCE & AUDIT COMMITTEE**

On behalf of the Board, the Finance & Audit Committee shall:

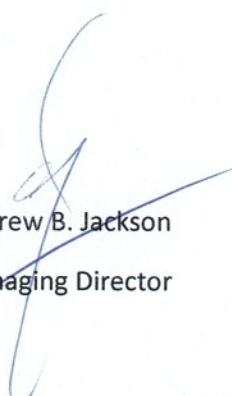
- a. monitor the adequacy and effectiveness of the Company's internal control and external auditors
- b. Review The Company's monthly, interim and annual financial statements and related accounting policies and assumptions

- c. Monitor and review the effectiveness of The Company's internal Audit function
- d. Monitor and review the external auditor's objectivity and effectiveness
- e. Review and approve Company contracts and transactions

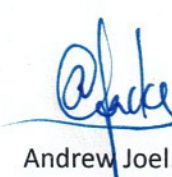
The Chairperson of the Finance & Audit Committee shall be appointed by the Board. The Committee shall consist of a majority of independent non-executive Directors and shall not consist of less than two (2) Directors in total. The Finance & Audit Committee shall meet at least (4) times a year, and regularly meets before each Board Meeting.

#### **COMPENSATION COMMITTEE**

The Compensation Committee recommends the Board of the levels of compensation for Directors – recommendations based on attendance and performance of duties – as well as salaries for the management team and other employees. The Compensation Committee shall consist of a majority of independent non-executive Directors and shall not consist of less than two (2) Directors in total. The Compensation Committee shall meet at least four (4) times a year.



Andrew B. Jackson  
Managing Director



Andrew Joel Jackson  
Corporate Secretary