

# TRANSJAMAICAN HIGHWAY LIMITED



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## CORPORATE GOVERNANCE POLICY

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## INTRODUCTION

As a publicly listed company, Transjamaican Highway Limited (the “Company”) has a responsibility to implement a Corporate Governance Structure outlining the principles and best practices to be adopted by the Board of Directors (the “Board”) and the Senior Managers of the Company.

The Corporate Governance Policy is designed to promote the sustainable growth and success of the Company, while meeting all the requirements of the JSE, the Companies Act, 2004, and the Company’s Articles of Incorporation.

The structure will recognize the authority of shareholders to:

- Elect Directors
- Adopt Audited Financial Statements
- Elect Auditors & authorize Board to fix remuneration
- Confirm remuneration of non-executive Directors
- Approve and ratify dividends

### 1. THE BOARD OF DIRECTORS

The Board of the Company will provide strategic leadership and oversight of the management of the Company’s business and will have overall responsibility for governance and for a code of best practices that will guide the conduct of the business. Principal reporting responsibilities will be to the shareholders of the Company, the JSE and other stakeholders.

#### *Functions and Responsibilities*

The Board is primarily responsible for providing effective corporate governance by overseeing the management of the Company’s affairs in a manner that ensures that Shareholders’ and Stakeholders’ interests are protected, and legal and obligatory requirements are met. To satisfy this obligation, it is important that Directors act with honesty, integrity and sound business acumen in the best interest of the Company, with the advice of senior managers

and other independent advisors and auditors where necessary.

Decisions taken by the Board are done either directly or through its established Sub-Committees at the direction of the Board and should be informed by reasonable and balanced assessments of all relevant information. The Board has the responsibility to ensure that Management is capably executing its responsibilities and will review and approve key policies and supervise the management of the Company in fulfilling the following objectives:

- Monitoring compliance with applicable laws, regulations and codes of ethical business conduct.
- Review and approve annual operating plans and budgets and monitoring the Company’s performance against such plans.
- Business development initiatives including major investments and disposals.

- Implementation of effective Corporate Governance practices.
- Approving annual and quarterly financial statements and annual reports either directly or through the Audit Committee.
- Ensure timely, accurate, effective and balanced disclosure of material information to stakeholders, shareholders, regulatory bodies and other organizations.
- Effective management of the Company's brand and reputation.
- Risk Assessment and Risk Management.
- Identification, evaluation and selection of candidates for the Board.
- Approval of appropriate remuneration policies and practices.
- Appointment and removal of the Chairman, Directors, Managing Director and Company Secretary.
- Assignment of specific roles, authorities and responsibilities for the Chairman, Directors, Company Secretary and all Sub-Committees.
- Overseeing the integrity of the Company's internal controls and management information systems by adopting appropriate internal and external audit and control systems.
- Corporate citizenship, social responsibility and sustainable environmental practices.
- Evaluate its own performance annually.

The Board has assigned specific responsibilities to the Chairman, Directors and the Company Secretary.

## **CHAIRMAN**

The members of the Board shall elect a non-executive Director with sound knowledge of financial matters and preferably with experience in the industry at the senior level, to chair the Board. The Chairman will oversee the effective operation of the Company by providing firm, objective and effective leadership to the Board. He/she will also ensure that new Directors receive appropriate training and induction into the Company.

The Chairman shall coordinate with the Managing Director and Company Secretary to establish meeting agendas for Board Meetings and General Meetings and is responsible for ensuring that the Board receives accurate, timely and clear information. The Chairman must not be involved in the day to day running of the business and should not be a full-time employee of the business.

## **DIRECTORS**

Directors should be knowledgeable about the business of the Company as well as their duties and responsibilities. Directors must perform the roles and functions relating to their position and as outlined in the charters of all Committees on which they serve. It is the responsibility of the Directors to devote sufficient time and resources to carry out their duties and responsibilities effectively and provide strategic planning and oversight for the Company.

The company is responsible for providing Directors with information to educate them about the Company, as well as their expected duties and responsibilities as a Director. In carrying out their responsibilities, a Director

is entitled to rely in good faith on reports or other information provided by the Company's senior managers, independent auditors, and other qualified persons as to matters the Director reasonably believes to be within such other person's professional or expert competence.

Directors are expected to attend shareholders' meetings of Transjamaican Highway Limited, Board meetings and meetings of the Board Committees on which they serve. Directors are entitled to receive information and related materials to be used in the meetings in advance of the scheduled meeting so that they have adequate time to review same. Directors are also required to attend Board Meetings regularly as a prerequisite and should therefore not miss three (3) consecutive regular Board Meetings, unless explicitly agreed by the Board.

#### **COMPANY SECRETARY**

The Company Secretary is appointed by the Board for such term and upon such conditions as may be required and may be removed by them. The Company Secretary is responsible for the efficient administration of the Board. The Company Secretary shall assist the Chairman of the Board with the agenda, information gathering and other logistics as it relates to meetings and the Board carrying out its duties. He/she also ensures that Board decisions are implemented. The services and advice of the Company Secretary shall be available to Board Members. The Board is also allowed to obtain Independent professional advice to assist in the performance of their duties, as is necessary, at the Company's expense.

#### **MANAGING DIRECTOR**

The Directors may appoint a Managing Director of the Company, either for a fixed term or without any limitation as to the period. A person appointed as Managing Director, Chief Executive Officer or General Manager need not be a Director. The remuneration of a Managing Director, Chief Executive Officer or Managing Director shall be set by the Directors, and may be by way of salary or commission or participation in profits or by any or all of these modes. The Directors may entrust to and confer upon a Managing Director, Chief Executive Officer or General Manager for the time being such of the powers exercisable under these Articles by the Directors as they may think fit and may from time to time, revoke, withdraw, alter, or vary all or any of such powers.

## **2. COMPOSITION AND SELECTION OF DIRECTORS**

The number of Directors shall not be less than five (5) or more than twelve (12) persons unless or until otherwise determined by a general meeting. At no point must the number of Executive Directors exceed 50% of the total number of Directors. Definition for Directors are as follows:

- An Executive Director is a Director who is an employee on the management team of the Company.
- A Non-Executive Director is a Director who is not a part of the management team of the Company.
- An Independent Director is a Director who is not related to the Company and is free of any interest, position, association, or relationship that might influence or reasonably be perceived to influence, in a material



respect, his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interest of the Company, its shareholders and bondholders. Factors that may be relevant to determine independence includes:

- A Director having a substantial interest in securities held by the Company.
- A Director being a member of the immediate family of an Executive Director/Officer, immediate family member being defined as spouse, parent, child or sibling, in law or anyone sharing the same home with any of the above.
- A Director sitting on the Board or holding a senior management position in any company whose core business is directly competing with the Company.
- A Director receiving additional remuneration from the Company apart from Director's fees (this includes any loans or guarantees for or on behalf of a Director).
- A Director being an affiliate of a charity or firm that does business with the Company.
- A Director has been an employee of the Company or group within the last three years.

### 3. CONFLICTS OF INTEREST/DISCLOSURE

Directors have a fiduciary duty of loyalty and care to the Company and its stockholders. The interests of the Company and its stockholders must be considered over own personal interests in making decisions for the Company and evaluating opportunities. The Board should regularly assess the independence of each non-executive

Director and each non-executive Director should provide the Board with all relevant information in determining their independence.

### 4. INSIDER TRADING

Dealings in the Company's shares by any Director must be promptly reported to the Chairman of the Board and the Company Secretary who are then obligated to disclose said dealings to the Jamaica Stock Exchange.

Directors should not trade in the Company's shares during:

- 5 days prior to the end of the quarter up to the date of the release of the quarterly Financial Statements
- 5 days prior to the end of the financial year up to the date of the release of the annual Audited Financial Statements
- the time a dividend is considered and the time in which that information is provided to the Jamaica Stock Exchange.

Directors must avoid transactions that may result in conflicts of interest or may appear to others as conflicting situations. Such instances would affect a Director's independence and must be immediately disclosed to the Board in writing and noted in the minutes of the Board meeting following said disclosure. Where a meeting of Board is held and matters concerning a Director conflicting interest arises for deliberation, the affected Director will excuse himself and refrain from voting on such matters.

## 5. BOARD MEETINGS

The Board shall have a minimum of four (4) meetings per annum. The required quorum for each meeting is three (3) Directors (with at least two (2) Independent Directors) present in person or by proxy. Special Board meetings may take place at such times as may be reasonably requested by any member of the Board. An Annual General Meeting shall be held once per annum within a period of not more than fifteen (15) months after the holding of the last preceding Annual General Meeting. Three (3) members present in person or by proxy shall be a quorum.

The Agenda for meetings shall be formulated by the Chairman and Company Secretary. Other Board members may also offer items for inclusion to the agenda. The management of the Company may also be invited to contribute on specific areas for the benefit of the Board.

All Directors are expected to attend the Annual General Meeting of shareholders, Board meetings and meetings of Sub-Committees on which they serve.

Resolutions shall be passed by majority vote and shall be noted in the minutes of each meeting for approval at the following meeting as evidence that the resolutions have been adopted.

The minutes of the meetings of the Board, as well as other supporting documents issued prior to or during the meeting shall be properly recorded and stored for inspection by regulatory bodies such as the Financial Services Commission, upon request.

## 6. BOARD CONDUCT

The Board expects that all Directors, Managers and employees of the Company shall act with the highest level of ethics and professionalism at all times and shall adhere to all codes and policies that describes the values of Transjamaican Highway Limited, such as:

- Respect
- Transparency
- Integrity
- Objectivity
- Accountability
- Leadership
- Communication
- Teamwork
- Empathy

## 7. BOARD PERFORMANCE AND EVALUATION

The Board and each Sub-Committee will perform an annual self-evaluation. The Directors will conduct an annual assessment of the Board and Sub-Committee's effectiveness and performance in accordance with the applicable standards of corporate governance. The assessment should address the effectiveness and adequacy of meetings of the Board and Sub-Committees as well as the adequacy and timeliness of information provided to the Board by the Company's management.

## 8. BOARD REMUNERATION

The form and amount of Director Compensation is determined by the Board based on the recommendations of the Nomination and Compensation Committee. Consideration should be given to the level of

involvement required by a Director in terms of time commitment and responsibilities and should be so designed to attract, maintain and motivate the quality Directors that the Company requires. Each Director shall also be entitled to be repaid all reasonable travelling and hotel expenses incurred in or about the performance of duties as a Director, including his expense of travelling to or from Board meetings, committee meetings and general meetings. The Company Secretary may be entitled to such remuneration as decided by the Board.

## **9. DIRECTOR ORIENTATION AND EDUCATION**

The Company Secretary or Managing Director, Chief Executive Officer or General Manager, shall provide an orientation for new Directors which shall include materials and/or briefing sessions on subjects relevant to their duties and responsibilities and the legal and regulatory obligations of the Company. This orientation should also include information on the Company's strategic plans, operating risks and financial statements, compliance programs, conflict policies, codes of ethics, insider trading policy and other key policies and practices. Directors must be knowledgeable and informed about the business of the Company and concerning their duties and responsibilities. All new Directors must participate in this orientation program within six months of their appointment. The Board shall encourage Directors to participate in continuing education programs.

## **10. APPOINTMENT RETIREMENT AND ROTATION**

Selection of Board Members shall be done in a formal manner with diligence and transparency and in accordance with the Company's Articles of Incorporation (Articles 114 to 122). The Board shall conduct a proper assessment to ensure that prospective members are equipped with the right skill set and experience required for the post. The policies and procedures to govern the dismissal or resignation of a member will be established by the Nomination and Compensation Committee. The office of a Director shall be considered vacated in accordance with the Article 124 of the Company's Articles of Incorporation:

## **11. SUCCESSION PLAN**

The Board should ensure that the Company is properly managed at all times and shall periodically review, approve and maintain a succession plan for the Senior Managers and Directors of the Company based on recommendations of the Nomination and Compensation Committee. This plan shall include the guidelines and principles for evaluating and selecting a Director, Managing Director, Chief Executive Officer or General Manager.

## **12. BOARD COMMITTEES**

The Board shall establish appropriate Sub-Committees to provide vital support and advice to the Board in the execution of its duties and responsibilities. The Sub-Committees shall have responsibilities for specific areas on matters requiring more detailed and frequent reviews or in-depth



analysis and thereby contribute to the Board's overall function.

Board Sub-Committees should have in-depth knowledge in their area, be efficient and accountable and in their capacity may make decisions on behalf of the Board when so directed by the Board or submit recommendations to the Board for its consideration and approval.

The Board has established the following Sub-Committees:

1. Audit and Risk Management Committee
2. Nomination and Compensation Committee
3. Corporate Governance Committee

All members of the Audit and Risk Management Committee shall be independent of the Company. The Company shall give access to its employees, professional advisors and other resources as needed to carry out their duties and responsibilities.

The Members and Chairman of each Sub-Committee is appointed by the Board. Each

Committee shall have its own written charter which shall comply with all applicable laws, rules and regulations. The charters shall set forth the mission and responsibilities of the Committees. The Committee shall consult with the Senior Managers where necessary, to develop the Committee agendas and establish issues to be discussed. The Board may from time to time establish additional Committees as deemed necessary or appropriate.

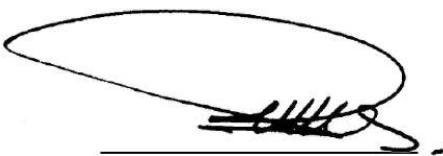
### 13. AMENDMENTS TO CORPORATE GOVERNANCE POLICY

The Company Secretary will review the Corporate Governance Policy annually or more frequently as may be required and make recommendations for updating the existing corporate governance principles to the Board of Directors for approval.

The Company Secretary is responsible for ensuring that the JSE is immediately advised of any amendments to this Policy and that the Policy is made available to the public on the Company's website or on the website of the JSE and such is to be stated in the annual report of the Company.

This policy was ratified by the Board of Directors on February 4, 2021 and was further reviewed at a Corporate Governance meeting held on November 25, 2022.

Signed By:



Charles PARADIS (Chairman)



Julie Thompson-James (Director)

## Audit and Risk Committee Charter

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### PURPOSE

The purpose of the Audit Committee is to assist the Board of Directors and management in fulfilling its oversight responsibilities by providing advice and guidance on the organization's financial and operational reporting, internal control framework, risk management, oversight of the internal audit process and external auditors and monitoring compliance with the relevant Acts and policies.

### AUTHORITY

The Board of Directors has established an Audit Committee with oversight responsibilities as described in this Charter or as additionally requested by the board. The Charter should be reviewed periodically by the Audit Committee and revised, as necessary, in response to the organization's needs. The Committee is directly accountable to the Board of Directors.

The audit committee is empowered to:

- Overseeing the integrity of the company's financial statements and the company's accounting and financial reporting processes and financial statement audits
- Appoint, compensate, and oversee all audit and non-audit services performed by auditors
- Pre-approve all auditing and non-audit services performed by auditors
- Overseeing the company's compliance with legal and regulatory requirements
- Overseeing the company's internal controls over financial reporting
- Overseeing the company's compliance with ethical standards adopted by the company

### REPORTING AND COMMUNICATIONS

The Audit Committee chairman shall report the Committee activities to the Board of Directors on a regular and timely basis. The Committee shall have free and open lines of communication with the independent auditor, as well as prompt and unrestricted access to management and all relevant information.

## MEETINGS

The Audit Committees will meet at least four times per year or once per quarter at a time and place determined by the committee. Additional or extended meetings may be held based on special circumstances as required. The committee chairman will approve the agenda for the committee's meetings and any member may suggest items for consideration. The Committee may invite members of management, external auditors, or others to attend meetings and provide pertinent information as necessary.

### *Meeting Schedule*

DATE	AGENDA	LOCATION
February (within the 1 <sup>st</sup> week)	Review of financial statements for the previous quarter for recommendation for approval by the board for filing with the JSE-filing 45 days	To be determined
March (by the 10 <sup>th</sup> )	Review of the draft Year end audit reports and tax computation for filing Review of Annual Report to be submitted to the JSE	To be determined
May (within the 1 <sup>st</sup> week)	Review of financial statements for the previous quarter for recommendation for approval by the board for filing with the JSE-filing 45 days	To be determined
August (within the 1 <sup>st</sup> week)	Review of financial statements for the previous quarter for recommendation for approval by the board for filing with the JSE-filing 45 days	To be determined
September	Pre-audit meeting with Auditors and Senior Management	To be determined
November (within the 1 <sup>st</sup> week)	Review of financial statements for the previous quarter for recommendation for approval by the board for filing with the JSE-filing 45 days	To be determined

## COMPOSITION AND TERMS OF APPOINTMENT

The Audit Committee shall comprise of a minimum of three (3) members or a maximum of five (5) members, one of whom must be appointed as Chairman of the Committee by the Board of Directors. A minimum of two thirds of the members of the Audit Committee should be independent that is, these members should not have an ownership, employment, or relationship with the company or its management (business or personal). Independent members may not receive any compensation from the company other than for board service as these arrangements could impact their judgment and objectivity.

All members of the Audit Committee shall be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting,

requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial certification, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. The secretary of the audit committee will be the company secretary, or such other person as nominated by the board. Members will be appointed inline with the annual retirement and rotation of the Directors, in accordance with the Articles of Incorporation.

## RESPONSIBILITIES

The Audit Committee shall be responsible for providing the board with independent, objective advice reviewing and recommending matters to the board. The committee will carry out the following responsibilities:

### *Financial Reporting*

- Review the auditors' proposed audit scope, approach, audit fees and plans prior to the auditors commencing any substantial portion of the annual audit.
- Review the performance of the auditors and, if circumstances would warrant, make recommendations for removing them.
- Provide oversight to the Financial Reporting Risk Management Framework: review and recommend policies for Board approval; review the results of audits of the financial reporting processes and activities.
- Reviewing the impact of significant changes in accounting principles or financial reporting requirements and discussing any alternative treatments that have been raised for considerations by management, the auditors or the Committee.
- Review any audit problems or difficulties and management's response to such issues.
- Review quarterly and annual financial statements, relevant sections of the annual report and related regulatory filings before their release.
- Review any recommended improvements in internal controls and any other material written communication from the auditors and management's response and planned or taken actions.
- Review any legal matters that could have a significant impact on the financial statements or reporting requirements, along with the understanding of the views of the legal counsel handling such matters for the company.
- Meet separately with the external Auditors to discuss any matters that the Committee or external Auditors believe should be discussed privately.

### *Risk Management*

- Annual review of the risk management framework for identifying, assessing, monitoring and managing significant risks.
- Review whether risk management is carried out in a manner that benefits the Company.
- Assess and contribute to the audit planning processes relating to the risks of the Company.

- Review and recommend disclosures on matters of risk in the quarterly financial statements, annual financial statements and annual report.
- Provide regular feedback to the Board of Directors on the adequacy and effectiveness of risk management in the company, including recommendations for improvement; and
- Adequately address issues in the following areas: financial reporting risks, fraud risks; internal financial controls; and IT risks as they relate to financial reporting.

### *Compliance*

- Review the effectiveness of systems in place to monitor compliance with legal and regulatory matters.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to the Company's personnel, and for monitoring compliance.
- Liaise with management regarding compliance matters and getting regular updates on such.

### *Reporting Responsibilities*

- Regularly report to the Board of Directors about Committee activities, issues encountered and make appropriate recommendations.
- Report annually to the Board of Directors, describing the Committee's responsibilities and how they were discharged, and any other information required.
- Report to the Board any matters which may significantly affect the financial conditions or affairs of the business.

### *Other Responsibilities*

- Evaluate the performance of the Audit Committee on a regular basis.
- Review and assess the Audit Committee charter annually and make recommendations to the board for required changes.
- Review and assess the achievement of the duties specified in the charter and report the findings to the Board annually.

## ***NOMINATION and COMPENSATION COMMITTEE CHARTER***

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### **PURPOSE**

The Nomination and Compensation Committee ('the Committee') is appointed by the Board of Directors ('the Board') to act on behalf of the Board in the exercise of its duties and responsibilities in relation to the compensation of the Company's executive officers and relating to the Company's compensation and personnel policies and programs, including management development and succession plans.

### **MEMBERSHIP**

The Committee shall comprise of three or more members who are Directors each of whom qualifies as an independent non-executive Board member. At least half of the total number of the Committee shall be non-management, independent director. The Chairman of the Committee shall be an independent Director and chosen by the Board. A Secretary for the Committee may be appointed as deemed necessary by the Chairman of the Committee. The Secretary will coordinate with the Chairman to call Committee meetings, provide meeting agendas and prepare the minutes of the meetings.

### **AUTHORITIES**

The Committee is authorized to request and obtain access to the Company's resources and information necessary for it to discharge its duties and responsibilities. As advisors to the Board, the Committee may seek professional experts to help its members in their role, including legal, accounting or compensation professionals.

### **DUTIES AND RESPONSIBILITIES**

The Committee has the following duties and responsibilities:

#### ***Nomination***

- Determine the nomination, selection and appointment process for Board members, Managing Director and Senior Managers.



- Make recommendations to the Board and Shareholders for the nomination of competent Board members and Board Committees members, consistent with criteria and qualifications approved by the Board.
- Review and assess the effectiveness of the Board, its Committees and structure thereof, individual Directors and Managing Director and make recommendation to the Board as deemed necessary.
- Establish and review annually, a succession plan for Board members, Committee members, Managing Director and Senior Managers and make any necessary recommendations to the Board for final approval.

### *Compensation*

- Establish a policy for the remuneration of members of the Board, its Committees and Senior Managers.
- Periodically review and make recommendations to the Board on the remuneration policy and plan including any necessary amendments and evaluate its effectiveness in achieving its objectives.
- Determine remuneration as necessary and appropriate both in the form of cash and non-cash rewards for the Directors and Senior Managers based on their duties, responsibilities and performances.
- Recommend to the Board the compensation for Board members, such as Directors fees, and other means of compensation, as appropriate, and pursuant to the Company's compensation guidelines.
- Consider questions of independence and possible conflicts of interest of members of the Board and make recommendations regarding such matters to the Board, including the criteria for determining Director independence.
- This Committee also serves as a liaison between the Managing Director and the Board on all compensation and human resources issues for senior executives.

### **MEETINGS**

The Committee shall meet at least twice per annum or as often as deemed necessary. Quorum shall be determined by a majority or two-thirds of the members being in attendance. Decisions shall be made by a majority vote.

### **REPORTING**

The Chairman shall report to the Board all matters discussed and approved within the Committee meetings and make recommendations to the Board as deemed necessary.

### **CHARTER REVIEW**

The Committee shall review this Charter annually to determine its adequacy and make recommendations for updates to the Board as deemed necessary.

## CORPORATE GOVERNANCE CHARTER

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As a publicly listed company, TJH will maintain a comprehensive corporate governance structure (the 'Corporate Governance Committee') for sustainable growth and success of the Company, and that meets all requirements of the JSE, the Companies Act, 2004, and the Company's Articles of Incorporation.

### PURPOSE

The purpose of this Charter is to provide the Board of Directors with a working guide in Corporate Governance principles and best practices that will guide the conduct of the business in accordance with legal and regulatory requirements and for the benefit of shareholders of the Company and other stakeholders.

### MEMBERSHIP

The membership of the Corporate Governance Committee should comprise of three (3) members of the Board of Directors, with the majority being independent non-executive directors as defined in the Board's Charter chosen for their competence and understanding of issues related to corporate governance. Corporate Governance Committee members, including the chairman, are appointed and removed at its sole discretion of the Board and shall serve until their resignation or removal. The Company Secretary shall be the secretary of the Corporate Governance Committee.

### AUTHORITY & RESPONSIBILITIES

The Corporate and Governance Committee is to:

- Review and recommend corporate governance principles applicable to the Board.
- Prepare the annual Corporate Governance Statement for inclusion in the Company's Annual Report to its shareholders.
- Ensure that there is accurate, timely and full financial governance reporting with strong internal controls and risk management.
- Ensure that material information regarding the Company's operations is disclosed in a timely manner to the public and regulatory entities.
- Review every two years at least, the Company's Articles of Incorporation, Charters of the Board and its sub committees along with the overall corporate governance policy and make recommendations to the Board as deemed necessary.

- The Corporate Governance Committee will also annually review the effectiveness of all committees in fulfilling their responsibilities and duties as set out in their respective charters and in a manner consistent with the Corporate Governance Guidelines adopted by the Board.
- Develop charters for any new committees established by the Board and review.
- Evaluate the Company's Insider Trading Policy and report/recommend any changes to the Board as deemed necessary.
- The Corporate Governance Committee will conduct a Risk Analysis and provide a report to the Board of Directors within one year of the date of adoption of this Charter and will provide an annual review of the report thereafter. This analysis will consider the principal risks of the company's business and review the systems in place to manage the risks.
- Keep abreast of the latest regulatory requirements, trends and guidance in corporate governance and updating the Board on corporate governance issues, where necessary.
- Ensure that the Board is structured and selected to ensure effectiveness, independence and protection of the public's interests through appropriate selection and operating processes.
- Implement an effective process for the annual evaluation of the Board and its committees. The Corporate Governance Committee shall report to the Board the results of its annual evaluations and based on those results, may make recommendations in respect of the structure and effectiveness of the Board and any of its committees.
- Considering possible conflicts of interests of Directors and making relevant proposals to the Board in relation to its findings.
- This Corporate Governance Committee will confirm that procedures are in place and resources are made available to provide new Directors with a comprehensive orientation with respect to their responsibilities and duties and also provide all Directors with appropriate continuing education opportunities so that individuals may maintain or enhance their skills and abilities as Directors.

## MEETINGS

The Corporate Governance Committee shall meet at least twice per annum or as often as deemed necessary. Quorum shall be determined by a majority or two-thirds of the members being in attendance. Decisions shall be made by a majority vote.

## REPORTING

The Chairman shall report to the Board all matters discussed and approved within the Corporate Governance Committee meetings and make recommendations to the Board as deemed necessary.

## CHARTER REVIEW

The Corporate Governance Committee shall review this Charter annually to determine its adequacy and make recommendations for updates to the Board as deemed necessary.