



TERMS OF REFERENCE
**CORPORATE
GOVERNANCE
COMMITTEE**

1. POLICY STATEMENT

Wigton Windfarm Limited (WWFL) was established in April 2000 under the Jamaican Companies Act as a subsidiary of the Petroleum Corporation of Jamaica (PCJ), which was then the Government of Jamaica (GOJ) entity with responsibility for energy security. Wigton was mandated to develop and operate wind-powered renewable systems to supply electricity to the national grid. In 2017 the Government of Jamaica (GOJ) took the decision to divest WWFL via an initial public offering (IPO) on the Jamaica Stock Exchange (JSE) and this exercise was successfully completed in May 2019. As a listed company on the main market of the JSE, WWFL has transitioned from a public sector entity to a private sector company governed by the JSE Rules.

The Board of WWFL has established a Corporate Governance Committee (hereinafter called the “CGC” or “the Committee”) as a standing committee of the Board. The CGC exercises an independent review function to assist WWFL in fulfilling its corporate governance oversight responsibilities. The Committee evaluates and monitors the Company’s compliance with all governance matters. The CGC therefore acts to ensure that WWFL adheres to its Corporate Governance (CG) mandate as outlined in its Board Charter, the Companies Act (2004), other applicable laws, regulations and the Jamaica Stock Exchange (JSE) Rules.

The CGC reports directly to the Board on its assessment of the WWFL’s governance and compliance and provides advice and guidelines to the Board on matters brought to the Committee’s attention or on its own volition. The CGC is committed to maintaining the highest level of transparency, accountability and integrity in all its operations and will monitor the maintenance of high ethical standards of all employees and directors of WWFL.

2. ROLES AND RESPONSIBILITIES

The Committee shall:

- a. Monitor adherence to laws and regulations to ensure that the Board is and remains in compliance with the Companies Act; the Jamaica Stock Exchange Rules, especially Rule 506; the WWFL Board Charter and all other applicable and relevant laws and regulations.
- b. Recommend and review policies to ensure the development of required governance policies and periodically review and recommend changes to the Board Charter and committee’s terms of reference that will guide the Board in the execution of its governance responsibilities. The CGC will ensure that such policies are appropriate to WWFL’s business, and comply with applicable laws, and regulations and are in line with governance best practices.
- c. Monitor ethical conduct of WWFL’s operations to ensure adherence to principles of good corporate citizenship and that all operations add value for WWFL’s corporate sustainability.
- d. Review, and recommend to the Board, a Code of Business Conduct for Directors and employees, and to periodically review such Code and recommend any changes, to the Board.
- e. Monitor and address complaints as required under the WWFL Code of Conduct.
- f. Consider all Directors conflict of interests and related party transactions and make recommendations to the Board as required.
- g. Monitor the annual JSE Corporate Governance Index score of WWFL and make recommendations to the Board as required.
- h. Consider any other corporate governance issues that arise from time to time, and to develop appropriate policy recommendations for the Board.
- i. Promote the qualities and characteristics needed by WWFL to effectively execute its corporate governance responsibilities, especially when recommending to the Board changes to directorships and the Board’s sub-committees. These will include but are not limited to:
 - I. Maturity of judgment
 - II. Management and leadership experience
 - III. Diversity of professional skills
 - IV. Integrity & professionalism
 - V. Financial Literacy
 - VI. Time available to the WWFL
 - VII. Governance knowledge
 - VIII. Networking/Contacts
 - IX. Degree of independence
- j. Support the board in discharging its responsibilities for maintaining an annual competency profile by conducting an annual review of the existing skills and competencies of Board Members, identifying gaps and submitting same to the Board for review and action.
- k. Oversee evaluations of the performance of the Board and all its committees.
- l. Support the Board Chairman with the assessment of the performance and contribution of Directors and assist the Chairman with providing guidance and support for those who may not be performing at the required level.
- m. Make recommendations to the Chairman regarding Directors to be selected for chairmanship and/or membership on, or removal from, the various Board Committees based on performance.
- n. Recommend appropriate related short professional development programmes for Directors, within budget, that will assist the Board to effectively perform its functions.
- o. Ensure appropriate orientation for new Directors, in order to ensure new members are better able to contribute effectively to the deliberations of the Board.

- p. Develop and annually review a succession plan for Directors, the Chairman and the Managing Director.
- q. Review and recommend to the Board CSR initiatives in line with the company's CSR Policy ensuring that each initiative adds value to the relevant community and supports the vision, mission and values of WWFL and is within budget.
- r. Ensure all donations made are within WWFL policy guidelines.
- s. Ensure that WWFL has established appropriate sustainable policies including policies to address responsible environmental practices.

3. COMPOSITION

- a. The CGC shall be comprised of a minimum of three (3) non-executive directors.
- b. The Board shall appoint the Chairman of the committee who at all times must be an independent non-executive director as defined in the Company's Board Charter.
- c. Members will be appointed by the Board and may also be removed from the committee by majority vote of the Board of Directors.
- d. The Company Secretary will be the assigned Secretary for the CGC. In the absence of the Company Secretary, the Chair of the CGC may make alternate arrangements with the Managing Director for a member of the Company's staff to act as Secretary to the Committee.
- e. The Chairman of the Board is an ex-officio committee member.

4. MEETINGS

- a. The CGC will meet at least twice per year or more frequently as circumstances require.
- b. The Chair of the CGC or a majority of the members of the Committee may call a special meeting of the CGC through the Company Secretary who will ensure that adequate notice is provided.
- c. Meeting agendas and documents will be prepared for each meeting and provided within a minimum of three (3) working days in advance to the Committee members along with appropriate briefing materials.
- d. Senior Management or other persons, whose advice and counsel are sought by the CGC, may be invited to meetings of the Committee to provide such pertinent information as the CGC requests.
- e. All committee members are expected to attend and participate at each meeting in person or via teleconference or video conference electronically.
- f. The Committee has the power to require any member of staff of the Company to attend meetings as required. Such staff attendance should be scheduled through the Managing Director.

- g. An annual Corporate Governance Report, which speaks to the state of WWFL's overall governance and the Board's annual activities, will be included in WWFL's Annual Report.

5. AUTHORITY

The Committee has the authority to conduct or authorize investigations into any governance related matters within its scope of responsibility. In so doing it is empowered to:

- a. Investigate any governance matter brought to its attention with full access to all books, records, facilities, and personnel of WWFL; financial governance matters will be referred to the Audit & Risk Management Committee for investigation.
- b. Seek any information it requires from any officer or employee of WWFL and such officers or employees shall be instructed by the Board to respond to such enquiries;
- c. Meet with officers/employees of WWFL for the purpose of furthering its investigations; and
- d. Provided that the approval of the Board is first obtained, retain outside counsel or other experts to advise the Committee or assist in the conduct of an investigation.

6. REPORTING RESPONSIBILITIES

The Committee Reports regularly to the Board:

- a. Following meetings of the Committee
- b. With respect to other matters as are relevant to the Committee's discharge of its responsibilities
- c. With respect to such recommendations as the Committee may deem appropriate

Reports to the Board shall be written by the Chairman or any other member designated by the Committee to make such report.

7. QUORUM

A quorum shall consist of a majority of the Committee's members and should include at least one (1) Independent Non-Executive Director. The CGC Chairman shall have a casting vote as required.

8. COMMITTEE SECRETARY AND MINUTES

The Secretary for the Committee shall be the Company Secretary who may assign an in-house staff-member to take the Minutes of the meetings.

The Committee Secretary is required to:

- a. Circulate the notices and minutes of the Committee meetings;
- b. Distribute to Committee members, three (3) working days prior to the meetings of the Committee, all agendas and documents of meetings, reports and/or related documents which are prepared for consideration by the Committee;

- c. Keep detailed records of the Committee's meetings; and
- d. Perform such other duties as may be assigned by the Committee.

The Committee shall keep detailed records of its meetings and such records shall be made available to the board as required.

9. REMUNERATION

The Company shall make provision for remuneration of Committee Members in line with the Board's compensation policy.

10. PERFORMANCE EVALUATION

An annual evaluation of the performance of the Committee and individual members will be done taking into consideration the Committee's goals and objectives established at the beginning of the fiscal year. In conducting this review, the Committee will:

- a. Address all matters that it considers relevant to its performance, including at least the following:
 - i. The adequacy, appropriateness and quality of its information and recommendations to the Board
 - ii. The manner in which matters were discussed or debated
 - iii. Whether the number and length of meetings are adequate for the Committee to complete its work in a thorough and thoughtful manner
 - iv. Understanding of the business, its objectives and services
- b. Evaluate whether these terms of reference appropriately address the matters within its scope.

11. DECLARATION OF INTERESTS

Where any Committee Member has an interest in any matter, transaction or arrangement being discussed or determined by the Committee, the Committee Member so affected shall declare his/her interest to the Committee and the details of the interest are to be recorded by the Committee Secretary.

The Committee Member who has an interest shall not participate in the deliberations on the particular matter or exert any influence on the voting on the resolution in

respect of the matter, transaction or arrangement, and shall excuse himself from the discussions by leaving the room in respect of those interests during the period of discussion of the matter. The Committee Member shall not be counted for the quorum of the meeting and if that Committee Member votes, it shall not be recorded as valid or otherwise.

12. CONFIDENTIALITY OF COMMITTEE INFORMATION

All information received by the Committee is confidential and is the property of WWFL and cannot be disclosed to parties outside of the Company without prior approval of the Board.

13. AUTHORITY TO ENGAGE ADVISORS

The CGC, with the prior approval by the Board, may engage outside advisors as it deems appropriate and necessary to assist it in the effective discharge of its functions.

14. DELEGATION

The Committee shall be entitled to delegate certain of its responsibilities, where appropriate, to the Chairman or to one (1) or more members of the Committee, subject to the policies and/or procedures of the company, which shall be consistent with applicable legal and regulatory requirements.

15. FUNDING

Wigton Windfarm Ltd shall provide funding as determined by the Board, for payment of:

- a. Compensation to any consultants or other experts employed by the Committee
- b. Administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

16. REVIEW AND ASSESSMENT OF TERMS OF REFERENCE

The Board will conduct a review and assessment of the CGC Terms of Reference at least every two (2) years in such manner as the Board deems fit.



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