

TERMS OF REFERENCE

NOMINATIONS, COMPENSATION AND HUMAN RESOURCES COMMITTEE

1. POLICY STATEMENT

Wigton Windfarm Limited (“WWFL” or “the Company”) was established in April 2000 under the Jamaican Companies Act as a subsidiary of the Petroleum Corporation of Jamaica, which was then the Government of Jamaica (GOJ) entity with responsibility for energy security. WWFL was mandated to develop and operate wind-powered renewable systems to supply electricity to the national grid. In 2017 the GOJ took the decision to divest WWFL via an initial public offering 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 transitioned from a public sector entity to a private sector company governed by the JSE Main Market Rules.

The Board of WWFL has established a Nominations, Compensation and Human Resources Committee (hereinafter called the Committee) as a standing committee of the Board to nominate appropriate candidates to serve on the Board of Directors; to guide and govern certain human resource matters including policy review, human resource budget review, employee performance management, employee training/development, the compensation structure of the Company and to establish remuneration for Independent/Non-Executive Directors.

2. ROLES AND RESPONSIBILITIES

The Committee shall:

- a. Identify and nominate candidates for appointments to fill vacancies on the Board of Directors from within the Senior Management Team.
- b. Make recommendations for the appointment of Independent/Non-Executive Directors at the stated term of office, considering the proposed Director’s performance on the Board.
- c. Make recommendations regarding the requirements for re-election of any Director under retirement or by rotation based on the provisions of the Company’s Articles of Incorporation.

- d. Oversee the Company's compensation and benefits structure in keeping with its strategic direction and organizational goals and to ensure that WWFL is competitive in the job market and capable of engaging and retaining talent.
- e. Research and recommend the remuneration for Independent/Non-Executive Directors which reflect the time, commitment, and responsibilities of the role.
- f. Review and recommend the approval of all human resource policies and programmes to the Board of Directors through the Corporate Governance Committee.
- g. Review the Company's management training and development programs ensuring they meet the strategic objectives.
- h. Monitor and ensure that the Company is compliant with Occupational Health and Safety Standards.
- i. Monitor the Managing Director and Executive succession planning.
- j. Recommend mechanisms for continuous improvement in employee relations.
- k. Establish the annual and long-term objectives of the Managing Director and conduct his/her annual performance review.
- l. Make recommendations on the acquisition and utilization of appropriate technology to support the Company's human resources data and information management systems.
- m. Enforce and monitor the Company's Whistleblowing Policy ensuring the anonymity or confidentiality and impartiality of the process associated therewith.
- n. Oversee the Company's pension plan.
- o. Enforce the Company's Sexual Harassment Policy and ensure that any instances of sexual harassment that are reported are dealt with promptly, effectively and confidentially.

3. COMPOSITION

- a. The Committee shall be comprised of three (3) or more Directors and not less than two (2) Independent/Non-Executive Directors.
- b. The Board shall appoint the members of the Committee from qualified members of the Board. Committee members should serve for two (2) years.

- c. Unless a Chairman is elected by the full Board, the members of the Committee shall designate a Chairman by majority vote of the full Committee.
- d. The Chairman of the Committee will chair all regular meetings of the Committee and set the agenda for Committee meetings, based upon consultations with Management, Committee Members and Directors.
- e. If the Chairman of the Committee is unable to attend a meeting, the members of the Committee shall designate a Chairman for the meeting by majority vote.
- f. Each member of the Committee shall serve until their successor is duly elected or until the member's resignation or removal. Any or all members of the Committee may be removed, with or without cause, by a majority vote of the Board.
- g. The Chairman of the Board is an ex-officio Committee member.

4. QUALIFICATIONS

At least one (1) member of the Committee must have significant expertise in compensation and human resource matters.

5. MEETINGS

- a. The Committee shall meet twice annually, or more frequently as circumstances dictate.
- b. The Chairman or any member of the Committee may call meetings of the Committee upon at least 48 hours' notice.
- c. Meetings of the Committee may be held by electronic means.
- d. The Committee may invite to its meetings any Director, Company executive/manager and any other person(s) it deems appropriate in order to carry out its responsibilities.

6. AUTHORITY

The Committee has the authority to:

- a. Conduct surveys or any other market research in order to ensure that its recommendations are in alignment with established practices and current market trends.

- b. Make recommendations to the Board regarding salary and compensation structure.
- c. Recommend to the Board the engagement of consultants, experts and other professionals or service providers as necessary.

7. REPORTING RESPONSIBILITIES

The Committee reports regularly to the Board:

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

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

8. 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 Committee Chairman shall have a casting vote as required.

9. COMMITTEE SECRETARY AND MINUTES

The Secretary to the Committee shall be the Company Secretary who may appoint a recording secretary 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 agenda of meetings, reports and/or related documents which are prepared for consideration by the Committee;
- c. Maintain the records of the Committee's meetings; and
- d. Undertake 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.

10. REMUNERATION

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

11. 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.

12. CONFLICT OF INTEREST

Where there is a conflict of interest, the Committee member so affected shall declare his/her interest to the Committee and the details of the conflict are to be recorded by the Committee Secretary.

The Committee member who has a conflict of 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 transaction and will excuse himself from the discussions in respect of those interests during the period of discussion of the matter.

13. 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.

14. DELEGATION

The Committee shall be entitled to delegate certain of its responsibilities, where appropriate, to the Chairman of the Committee 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

WWFL shall provide funding as determined by the Board, for payment of:

- a. Compensation to any consultants or other experts recommended for engagement 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 Committee will review and assess the adequacy of its Terms of Reference at least every two (2) years and request the Board's approval of proposed changes.

DOCUMENT CONTROL

Version	Date	Date Approved by Board	Area Changes made
1 st	July, 2020	July, 2020	N/A
2 nd	November 10, 2021	November 10, 2021	Name change and inclusion of human resource oversight functions