



KINGSTON WHARVES LIMITED

BOARD AND COMMITTEE TERMS OF REFERENCE

OVERVIEW

As set out in the Company's Corporate Governance Policy, the Board is generally responsible for reviewing and approving key policies and supervising the management of the Company particularly in relation to:

- Business strategy, including annual operating plans and budgets;
- Business development initiatives including major investments and disposals;
- Corporate governance;
- Compliance with applicable laws, regulations and codes of ethical business conduct;
- Corporate citizenship and sustainable environmental practices;
- Corporate financing and treasury related activities;
- Directors' compensation, executive compensation and overall remuneration policies and practices (including employee benefit plans);
- Risk management and the adequacy of financial controls;
- Organisational structure and succession planning;
- Financial reporting;
- Timely, accurate and balanced disclosure of material information about KW to appropriate stakeholders, including the shareholders and the Jamaica Stock Exchange; and
- The identification, evaluation and selection of candidates for the Board.

While the entire Board oversees the Corporate Governance practices of the Company, the Board has established the following three Committees to enable it to delegate focus on other areas of oversight:

- Audit Committee
- Compensation and Leadership Development Committee
- Executive Committee

GENERAL TERMS OF REFERENCE

The following general principles apply to the Board and each Committee:

- Composition of the Board and its Committees shall be in keeping with the provisions of the Company's Articles of Incorporation and Corporate Governance Policy.
- The Board and each Committee shall meet at least quarterly. Additional meetings may be scheduled from time to time to facilitate consideration and discussion of specific matters which may arise from time to time.
- Meetings may be attended in-person or by teleconference. If a member is not able to participate in a meeting, that member should speak to the Chair in advance. That member may also submit written comments or documentation in advance of the meeting so that the Chair can share the member's perspective at the meeting.
- The Chair of the Board and of each Committee shall be a Board Committee member as the case may be, determined by the Board of Directors. The Chair shall:
 - ♣ Call meetings of the Board or Committee as the case may be;
 - ♣ Chair meetings of the Board or Committee as the case may be;
 - ♣ Designate another Board or Committee member as the case may be to chair the Board or Committee in the Chair's absence; and
 - ♣ in the case of a Committee, report to the Board on the work of the Committee.
- Quorum shall be simple majority (50%+1) of the voting members present at a Board or Committee meeting.

- The Board and each Committee shall strive for consensus when making decisions. If consensus cannot be achieved, the members must agree on how to deal with issues, such as by voting, continuing the discussion, suspending discussion of the issue for tabling at another meeting or in the case of a Committee, taking the issue to the Board of Directors. When voting, decisions are carried by majority vote (50%+1). Members who are unable to attend a meeting in person may vote on an issue by email sent to the Chair prior to the meeting at which the vote is held.
- The Company Secretary shall take minutes at Board and Committee meetings and the minutes shall be approved at subsequent meetings. Minutes will be kept and stored by the Company Secretary.
- The Chair may invite guests to attend meetings as a resource as required.
- Each Committee shall be accountable to the Board of Directors through the Chair of the Committee.

BOARD OF DIRECTORS

Purpose

The principal role of the Board of Directors is stewardship of the Company with the creation of shareholder value, including the protection and enhancement of the value of its assets, as the fundamental objective. In its Corporate Governance oversight capacity, the role of the Board is to ensure that the Company fulfils its legal, ethical, and functional responsibilities through adequate governance policy development, recruitment strategies, training programs, monitoring of board activities, and evaluation of board members' performance.

Responsibilities

In order to perform its functions effectively:

- the Board must ensure that there are long-term goals and a strategic planning process in place, including approving the strategic plan which takes into account, among other things, the opportunities and risks of the Company's business;
- the Board must identify and have an understanding of the principal risks associated with the Company's businesses, and must ensure that appropriate systems are in place which effectively monitor and manage those risks;
- the Board must ensure that processes are in place to enable it to monitor and measure management's, and in particular the CEO's, performance in achieving the Company's stated objectives. These processes should include appropriate training, development and succession planning of management;
- the Board must approve the CEO's compensation;
- the Board shall satisfy itself as to the business and professional integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company;
- the Board must ensure that the necessary internal controls and management systems are in place that effectively monitor the Company's operations and ensure compliance with applicable laws, regulations and policies;
- the Board must monitor compliance with best practices in relation to Business Conduct and Ethics; and
- the Board must ensure the Company has a communications program in place which effectively communicates with and receives feedback from stakeholders including employees, government authorities, and the public.

In addition to the foregoing, in its Corporate Governance oversight capacity, the Board manages:

1. creation and periodic review of governance policies and procedures which define:
 - a. the roles and responsibilities of the board
 - b. duties and responsibilities of directors and officers; and
 - c. conflict of interest procedures;
2. maintenance of procedures for nomination, selection, and removal of directors to ensure that the board does not fall below the number of directors required by the bylaws;
3. orientation and training programs for board members to ensure that directors understand:
 - a. the Company's mission, goals, objectives, programs and services;
 - b. the Company's budget and financial position;
 - c. the code of ethics for directors; and
 - d. the time and participation requirements of board members;
4. evaluation of the performance of individual members and the Board as a whole; and
5. appointment and removal of the Company Secretary.

AUDIT COMMITTEE

Purpose

The Audit Committee facilitates the external and internal audit of the Company for the Board to obtain independent information about the Company's activities.

Responsibilities

In order to perform the role defined in the Company's Corporate Governance Policy, the Audit Committee's specific responsibilities include the following:

1. to oversee the financial reporting and disclosure process, and monitor the choice of accounting policies and principles;
2. to review the audit plans and reports of the external auditors and internal auditors, and consider the effectiveness of the actions taken by management on the auditors' recommendations;
3. to conduct periodic internal checks on key processes to ensure compliance with the established procedures, and report to the Board on the findings and recommendations for improvements;
4. to analyse and address the risks that are associated with the key processes;
5. to oversee regulatory compliance and whistle-blower guidelines (where applicable);
6. to determine the Company's financial needs and work with Management and independent advisors to ensure that those needs can be met by cash flows derived from operations and investments;
7. to determine the Company's risk tolerance and investment time horizon in consultation with the Board, together with input from independent advisors;
8. to ensure that the Company's investment objectives, policies, and guidelines are consistent and appropriate;
9. to evaluate the performance of the CFO and Finance Department on a regular basis to ensure that policy guidelines are followed;
10. to review the asset allocation on a yearly basis with the help of independent advisors if necessary to ensure that the allocations are appropriate given the investment environment and the needs of the Company;
11. to report on the investment performance and financial condition of the Company to the Board, any financial irregularities, concerns and opportunities; and
12. to liaise with auditors on any significant matters arising.

COMPENSATION & LEADERSHIP DEVELOPMENT (CLD) COMMITTEE

Purpose

Under the Company's Corporate Governance Policy, the CLD Committee is charged with constantly reviewing the composition of the Board and succession to it, as well as reviewing the remuneration policies for Executive Directors and Senior Officers of KW as well as material employee benefits and compensation plans and programmes

Responsibilities

In order to perform the role defined in the Company's Corporate Governance Policy, the CLD Committee's specific responsibilities include the following:

1. managing the recruitment of new directors under the supervision of the Board (in its Corporate Governance oversight capacity);
2. overseeing the drafting and/or revision of personnel policies;
3. reviewing job descriptions of the Company's Executives;
4. establishing a salary structure for the Company's Executives and reviewing expenditure on staff salaries;
5. reviewing the benefits package including the Company's incentive scheme;
6. maintaining oversight of the organisation structure at Executive and senior management levels; and
7. establishing and reviewing the Company's Human Resource Metrics and annual performance targets.

EXECUTIVE COMMITTEE

Purpose

The Executive Committee is empowered to act on behalf of the Board during on-demand activities that occur between the meetings, that are later presented for full Board review

Responsibilities

There shall be delegated to the Committee oversight of the following general matters:

1. the long-term strategic aims and objectives of the Company and its subsidiaries and affiliates (“the Group”) and the review of these;
2. the Group’s overall business and commercial strategy and performance (including business integration strategy), annual operating budget and financial plans necessary to achieve these objectives, including ensuring that any required corrective action is taken;
3. the basis of allocation of capital within the Group;
4. acquisitions or disposal of businesses, investments, transactions or commitments of any kind;
5. changes relating to the Group’s capital structure and significant changes to the Group’s management and control structure;
6. all matters likely by reason of public interest to be of a sensitive nature or affect the image or reputation of the Group including policies and practices relating to the proper governance of the Group, ethical conduct of business, recruitment, development and fair treatment of employees, community affairs, environmental matters, health and safety matters;
7. all matters representing a major change of policy or involvement of a material nature in a new area of business;
8. the provision of sufficient information to enable the Board to monitor performance; and
9. establishment and review of the Company’s operating metrics and Key Performance Indicators, and oversight of actual operational performance against those metrics and KPIs.

BY ORDER OF THE BOARD