

Board Mission

1) Mission Statement

The Pan-Jamaican Investment Trust (PJIT) Board of Directors represents the owners' interest in maintaining and growing a successful business, including optimizing long-term financial returns and lowering cost of capital. The Board is committed to achieving the highest standards of corporate governance, corporate responsibility and risk management in directing and controlling the business.

The Board is responsible for determining that PJIT is managed in such a way to ensure this result. This is an active, not a passive, responsibility. The Board has the responsibility to ensure that management is capably executing its responsibilities. The Board's responsibility is to regularly monitor the effectiveness of management policies and decisions including the execution of its strategies.

In addition to fulfilling its obligations for increased stockholder value and optimizing long term financial returns, the Board has a responsibility to ensure successful perpetuation of the business.

Board Functions

1) Areas of responsibilities

The Board makes decisions and reviews and approves key policies and decisions of the Company in particular in relation to:

- Corporate governance;
- Compliance with laws, regulations and the Company's code of business conduct;
- Corporate citizenship, ethics, environment;
- Strategy and operating plans;
- Business development including major investments and disposals;
- Financing and treasury;
- Appointment or removal of Directors;
- Remuneration of Directors;
- Risk management;
- Financial reporting and audit;
- Succession planning for its Executive Chairman, and other Senior Executives
- Pensions

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2) Specific responsibilities for Chairman, Company Secretary and Directors

The **Chairman** is principally responsible for the effective operation and chairing of the Board and for ensuring that information that it receives is sufficient to make informed judgments. He also provides support to the Managing Director, particularly in relation to external affairs. He/she is also responsible for ensuring that new Directors receive appropriate training and induction into PJIT.

The **Company Secretary** is responsible for ensuring that Board processes and procedures are appropriately followed and support effective decision-making and governance. He/she is appointed by, and can only be removed by the Board. All Directors have access to the Company Secretary's advice and services and there is also a formal procedure for Directors to obtain Independent professional advice in the course of their duties, if necessary, at the Company's expense.

Each **Board member** is expected to commit sufficient time for preparing and attending meetings of the Board, its Committees and, if applicable, of the Independent Directors. Regular attendance at Board meetings is a prerequisite therefore unless explicitly agreed upfront; a Director should not miss two consecutive regular Board meetings.

Because in-depth knowledge of the particulars of the Company's business is vital for each Director in making informed and objective decisions, management is to allow direct involvement and review of operational activities. Similarly, management also is to communicate to Board members opportunities to interact in strategy and day-to-day business settings. Board members are strongly encouraged to take advantage of such opportunities as frequently as feasible. The Directors have complete access to the Leadership of the Company via the Executive Chairman.

Selection and Composition of the Board

The Board is responsible for the overview of the interest of all stakeholders on the matters as outlined above. The composition of the Board should be such that these interests are best served and therefore the Directors require diversity in skills and characteristics.

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1) Size of the Board

The Board will have 7 to 10 Directors of which at least 30% will be independent directors. Considering the size of the organization and the environment in which it operates, the Board believes such numbers are adequate.

2) Executive and Non-Executive Directors

At any time the number of Executive Directors should not exceed 50 % of the total number of Directors.

3) Conflicts of Interest/Disclosure

Any dealings in the Company's shares by any Director must be promptly reported to the Company Secretary who is obliged to disclose such information on a regular basis to the Jamaica Stock Exchange.

No Director should trade in the Company's shares during the period of one (1) month before the release of the quarterly Financial Statements and in the case of the Audited Accounts, two (2) months prior to such release or at any time that the company has an embargo on trading. No trading should also occur between the time a dividend is considered and the time in which that information is provided to the Jamaica Stock Exchange.

A Director who has an interest in the Company or in any transactions with the Company, which could create or appear to create a conflict of interest, must disclose such interests to the Company. These would include:

- Any Interest in contracts or proposed contracts with the company
- General disclosure on interest in a firm or charity, which does business with the company
- Interest in securities held in the Company
- Emoluments other than board fees received from the Company
- Loans or Guarantees granted by the Company to/for the Director.

Disclosure shall be made at the first opportunity at a Board Meeting in writing and such disclosure shall be recorded in the Minutes of the Board Meeting.

The Director shall then excuse himself or herself from the Board meetings when the Board is deliberating over any such contract and shall not vote on any such issue.

If a conflict exists and cannot be resolved, the Director should resign.

The Disclosure of Director's interest shall include interests of his or her family and affiliates.

4) Election, terms, re-election and retirement

Election, terms, re-election and retirement of each Board member is conducted in line with the Articles of Incorporation of the Company, Articles 89 to 97, with the exception that each Board member is to retire during the financial year, when the Director reaches the age of 70 years, unless a special resolution of exemption to this rule is passed by members in general meeting as recommended by the Board.

5) Board & Executive Compensation

The level of compensation of the **Non-Executive Directors** reflects the time commitment and responsibilities of the role. It consists of a package appropriate to attract, retain and motivate Non-Executive Directors of the quality required. The compensation is competitive and subject to regular review to what is paid in comparable situations elsewhere.

The board will conduct a self-evaluation at least annually to determine whether it and its committees are functioning effectively.

6) Director Orientation and Education

The Board and Management will conduct a comprehensive orientation process for new Directors to become familiar with the Company's vision, strategic direction, core values, financial matters, corporate governance practices and other key policies and practices through a review of background material, meetings with senior management.

The Board also recognizes the importance of education for its Directors. It is the responsibility of the Board to advise the Non-Executive Directors about their education, including corporate governance issues. Directors are encouraged to participate in continuing Director Education programmes.

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7) Access to outside advisors and funds

The Company will make such funds available to the Board and in particular the Non-Executive Directors as is reasonably required for those Directors to objectively make decisions. This may include providing funds to access outside advisors and cover cost associated with travel and the gathering of relevant information for the execution of their responsibilities.

8) Succession planning

The Board will have full responsibility to ensure that the business is well managed at all times and that succession plans and potential candidates are identified for all senior executives including the Executive Chairman .

Should the Executive Chairman, CEO, COO or the CFO demit office due to an emergency, the Board will convene at the earliest possible time or in any event not less than 48 hours after such an event, with a view to appointing an interim or permanent successor to such posts.

Code of Conduct

The Board expects all Directors as well as officers and employees, to act ethically at all times and to adhere to all codes and policies specifically including “The Code of Business Conduct” that describes the values of the Pan Jamaican Investment Trust group values namely:

- Respect and Dignity
- Trust
- Communication
- Teamwork
- Appreciation
- Accessibility
- Professionalism
- Good Value
- Strength
- Compassion and Social Consciousness
- Group Pride

The Board will not permit any waiver of any of these policies for any Director or Executive officer

Board Committees

The Board has established several Committees, each with clearly defined terms of reference, procedures, responsibilities and powers.

1) Audit Committee

On behalf of the Board, the Audit Committee shall:

- Review the Company's annual and interim financial statements and related policies and assumptions and any accompanying reports or related policies and statements.
- Monitor and review the effectiveness of the Company's internal audit function.
- Monitor and review the external auditor's independence, objectivity and effectiveness.
- Develop and implement policy on the engagement of the external auditor to supply Non-audit services.
- Approve the company's risk management policy which defines the company's risk appetite and level of risk tolerance
- Monitor the adequacy and effectiveness of the Company's systems of risk management and control

The majority of members of the Audit Committee shall consist of Non-Executive Directors of the Company duly appointed by the Board. The Board shall also appoint the Chairman and Secretary of the Audit Committee. The Board Chairman shall not be a member of the Committee. The Committee shall consist of not less than three members.

The Audit Committee shall meet at least four (4) times a year, within forty-five (45) days of the end of each quarter and at such other times as any member of the Committee or the external auditors may request.

All financial statements and matters which are of significant import to the investing public shall be reviewed by the Audit Committee. The full Board will have responsibility and accountability for the final release of such information.

2) Investment Committee

The Investment Committee shall

- Review the company's investments, acquisitions and disposals
- Meet at least 4 times a year
- Comprise at least 6 members of the board with a mix of independent and non-independent directors

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3) Compensation Committee

The compensation Committee shall

- review of the performance of the Executive Directors and the senior executives of the Company on at least an annual basis
- report its findings during a regular Board meeting annually
- comprise of a majority Non Executives directors

4) Corporate Governance Committee

This Committee comprises of two Non-Executive Directors and one Executive Director. The Committee is responsible for keeping under review the composition of the Board and succession to it. It makes recommendations to the Board concerning appointments to the Board of Non-Executive Directors, having regard to the balance and structure of the Board and the required blend of skills and experience. The Committee has responsibility to:

- nominate potential candidates and evaluates the suitability of those candidates for future Board membership;
- proposes suitable candidates to the board for approval prior to approaching the candidate;
- approach the future candidate and upon positive response, introduce the future board member to the board.

The Board may call any Ad Hoc Committee, as it deems necessary. The Board will set out the rules under which such Committee governs at each occasion. All Committees including those explicitly mentioned above will be subject to the annual evaluation process, similar as applied to the Board itself.

Meetings

1) Frequency of meetings

During each financial year, there will be a minimum of 4 regular Board meetings. Special Board meetings may occur at such other times as any member of the Board may request.

2) Selection of Agenda Items for Board Meetings

The Chairman and Company Secretary will establish the agenda for each Board meeting. Each Board member may suggest the inclusion of item(s) on the agenda.

Information important to the Board's understanding of the business will be distributed electronically and or in writing to the Board before the Board meetings. As a general

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rule, presentations on specific subjects should be sent to the Board members sufficient in advance to be adequately prepared at Board meetings and focus discussion on the Board's questions. On those occasions in which the subject matter is extremely sensitive, the presentation will be discussed at the meeting.

3) Additional attendees to the meeting

Furthermore, the Board encourages the Management to, where it assist the ability of the Board members to execute their responsibilities, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

Approved: 13 November 2014