



DOLPHIN COVE LIMITED

GOVERNANCE COMMITTEE CHARTER

1 PURPOSE

- 1.1 The purpose of the Governance Committee is to ensure that there is a robust and effective process to best assure that the board fulfils its legal, ethical, and functional responsibilities and to monitor the effectiveness of the process.

2 MEMBERSHIP

- 2.1 The Governance Committee will be appointed by the Board and will comprise a minimum of three and a maximum of five members. The majority of the members will be Independent Directors who do not have the role of executive of any operations of the Wider Group that includes Dolphin Discovery. A quorum will be any three members so long as this includes two Independent Directors.
- 2.2 The Board may remove or replace any member at any time. The Chair of the Governance Committee will be an independent director selected by the Board.

3 MEETINGS

- 3.1 Meetings will be held at least twice per year at times the Chair of the Committee may determine.

4 AUTHORITY

- 4.1 The Governance Committee is authorized by the Board to:
 - a) Review the organization's governance matters and make recommendations to the Board
 - b) Take any actions to enable the Governance Committee to fulfil its responsibilities
 - c) Seek independent advice to perform its duties where necessary. Any costs incurred to do this will be agreed and approved by the full board prior to any commitments being made.

5 RESPONSIBILITIES

- 5.1 The Governance Committee is responsible for advising the Board on effective governance of the organization through:
 - a) Developing and reviewing governance policies and procedures
 - b) Providing induction and training programs for board members
 - c) Reviewing and if acceptable approving related party transactions
 - d) Ensuring that there is an adequate process for the engagement of key management personnel to best ensure the adequacy of their integrity and competence.

6 **FUNCTIONS**

6.1 Governance Policy Development

The Governance Committee will ensure that policies are created and periodically reviewed which define:

- a) The roles and responsibilities of the Board
- b) Duties and responsibilities of directors and officers
- c) Directors' standards of conduct, including any Code of Conduct and currency of the Directors' Manual (or Charter)
- d) Procedures for ensuring the organization's legal and regulatory compliance
- e) Conflict of interest procedures
- f) Procedures for nomination, selection, and removal of directors
- g) Directors' expense reimbursement policies and remuneration.

6.2 Recruitment & Selection

The Governance Committee will ensure that:

- a) The number of board members does not fall below the number required by the articles of the company
- b) Members appointed to the board understand and agree with the mission of the organization and the code of conduct
- c) Members appointed to the board understand and agree to the time commitment and participation requirements of board membership
- d) Elections and appointments to the board comply with the articles and other legal requirements

6.3 Education

The Governance Committee will ensure that there are effective induction and mentoring processes for board members and that they have the necessary knowledge to be able to discuss, debate and plan the following:

- a) The organization's mission, goals, objectives, programs and services
- b) The organization's budget and financial statements
- c) The roles, duties and responsibilities of the board, committees, individual board members and the General Manager
- d) Changes in legislation/regulations that impacts the company and the role of the board members

6.4 Accountability

The Governance Committee is accountable to the Board of Directors for the following tasks:

- a) Setting Director Qualification Standards. these standards should, at minimum, reflect the board and committee compositions including number of directors on the board and committees and those that are deemed independent and other substantive qualification requirements, including policies limiting the number of boards on which a director may sit, director selection, tenure, retirement and succession.
- b) Setting director compensation guidelines which should include general principles for determining the form and amount of director compensation (and for reviewing those principles, as appropriate).
- c) Mentoring new board members in order to develop their skills as board members
- d) Reviewing and, if thought fit, approving the terms of any related party transactions before they are entered into and monitoring the adherence to the approved terms.

- e) Monitoring the attendance and contribution of board members
- f) Circulating minutes of the Governance Committee to all members of the Committee and making them available upon request to other members of the Board. A summary of the approved minutes will be submitted to the Board at its next meeting Committee meeting.
- g) Ensuring that the corporate governance guidelines are available on or through its website
- h) Ensuring that through the Board that there are submissions to the Jamaica Stock Exchange of the Corporate Governance policy statement and immediately informing the Exchange when changes are made.
- i) Reviewing the Corporate Governance guidelines as appropriate and advising the Jamaica Stock Exchange of the outcome.
- j) Ensuring that in the annual report it is stated that the corporate governance guidelines are available on the website.