



**TERMS OF REFERENCE FOR THE  
CORPORATE GOVERNANCE AND REMUNERATION COMMITTEE**

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**PURPOSE**

The Corporate Governance and Remuneration Committee has the responsibility of overseeing all governance requirements for Mailpac Group Limited (“MGL”) and determining the remuneration framework of each member of the Executive Management Team, including bonus entitlements where applicable. Additionally, the committee will review fees payable to non-executive Directors and make the necessary recommendation to the Board as required. The Committee acts to ensure that MGL adheres to its Corporate Governance (CG) framework as outline in its Board Charter, the Companies Act (2004) and other applicable laws, regulations and the Jamaica Stock Exchange (JSE) Rules. The Committee 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 MGL.

**A. MEMBERSHIP & MEETINGS**

1. The Committee shall be comprised of a **minimum of three (3) members** with at least one (1) member being an independent non-executive director.
2. The Board through the Chairman shall appoint the Chairman of the Committee who shall be an independent non-executive director as defined in MGL Board Charter.
3. Other members of the committee will be appointed by the Board.
4. The Company Secretary will be the assigned secretary for the Committee. In the absence of the Company Secretary, the Company Secretary may make alternate. The Secretary will distribute to Committee members, **3 working days prior to the meetings** of the Committee, all agenda and documents of meetings, reports and/or related documents.
5. The Committee has the power to require any member of staff to attend meetings.
6. The Committee will meet at least twice annually and more frequently as circumstances require.
7. The Committee’s quorum will be at least two members. This must include at least one (1) independent non-executive director.

**B. SPECIFIC RESPONSIBILITIES AND DUTIES**

The Committee will have the following duties and responsibilities:

***Remuneration***

1. Establishing, reviewing and approving salaries, bonuses and other compensation for Executive Management taking into consideration performance variables including agreed key performance indicator’s;
2. Reviewing and approving a compensation framework policy for MGL;
3. Recommending to the Board on an annual basis any changes to the remuneration package of the Executive Management taking into consideration internal and external factors; and
4. Reviewing and recommending to the Board the compensation of all directors.

## **Corporate Governance**

The responsibilities of the CG Committee shall be:

1. To address corporate governance issues; to review the corporate governance practices and policies of the Company and to ensure that they are up to date and in compliance with the Board's Corporate Governance Policy, the law and best practices, and to make recommendations to the Board on any changes as necessary to such practices and policies;
2. To oversee the development and implementation of a Board orientation process for new directors and a programme of continuing director development, as needed;
3. To establish and facilitate an effective process for the annual evaluation of Board members, committee chairs and the Chairman of the Board and to make recommendations to the Board arising from the results of the annual evaluation processes as appropriate;
4. To review other corporate governance matters when necessary or required by the Board.

### **C. REPORTING RESPONSIBILITIES**

The Committee shall report to the Board of Directors after each meeting of the Committee. A verbal report shall be submitted to the Board through the Chairman of the Committee, at the following Board meeting.

### **D. CONFLICT OF INTEREST**

Where there is a conflict of interest, the Committee Member so affected shall declare his or her interest to the Chairman (or in the event of the Chairman having the conflict deferred to the Deputy Chairman or designated Director) 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 and will excuse himself from the discussions in respect of those interests during the period of discussion of the matter.

### **E. CONFIDENTIALITY OF COMMITTEE INFORMATION**

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

### **F. AUTHORITY**

1. The Committee has the authority to conduct investigations into any matters within its scope of responsibility. In so doing it is empowered to:
  - a. Investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of MGL;
  - b. Seek any information it requires from any officer or employee of MGL and such officers or employees shall be instructed by the Board to respond to such enquiries;
  - c. Meet with officers/employees of MGL 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.
2. The Committee, with the prior approval of the Board, may engage outside advisors as it deems appropriate and necessary to assist it in the effective discharge of its functions.

**G. REVIEW AND ASSESSMENT OF TERMS OF REFERENCE**

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

**DOCUMENT CONTROL**

<i>Version</i>	<i>Date Approved by Board</i>	<i>Area Changes made</i>
1 <sup>st</sup>	March 11, 2021	