



1. OBJECTIVE

1.1. The leadership and workforce of Caribbean Utilities Company, Ltd. (“CUC” or the “Company”) are made up of many qualified individuals with diverse skills, backgrounds, experiences and personal characteristics. The Company values and recognizes the benefits of this diversity, which include increased organizational strength, improved leadership and increased innovation. In order to attract and retain a diverse and qualified workforce, the Company is committed to providing an environment in which all employees are treated with fairness, respect and have equal access to opportunities available at work.

2. APPLICATION

2.1. Diversity at the Company refers to all the characteristics that make individuals unique. It includes, but is not limited to characteristics such as gender, sexual orientation, ethnicity, geographic representation, education, cultural background, experience, ability and disability, age or any other potential difference. The Company is committed to fostering an inclusive culture based on merit and free of conscious or unconscious bias, and supports the spirit and intent of applicable human rights employment equity and anti-discrimination laws, including the Labour Act (2021) and the Gender Equality Act (2011).

3. PRIMARY PRINCIPLES OF THE DIVERSITY POLICY

3.1. Diversity on the Board of Directors.

Diversity is an important consideration for the Company in determining Board composition. The Board of Directors of the Company (the "**Board**") has delegated to the Governance & Sustainability Committee (the "**G&S Committee**") the responsibility of overseeing and ensuring the implementation of this Policy. The Company believes that a Board made up of highly qualified individuals with diverse characteristics promotes better corporate governance and performance and effective decision-making. To support this, the G&S Committee will, when identifying and considering the selection of nominees for the Board:

- (a) consider only candidates who are highly qualified based on their experience, functional expertise and personal skills and qualities, and who possess the competence necessary or appropriate for a board of a publicly-traded utility company, based on merit measured against objective criteria;
- (b) consider diversity criteria including gender, sexual orientation, ethnicity, geographic representation, education, cultural background, experience, ability and disability and age;
- (c) at their discretion exercised in the best interests of the Company, seek to maintain a Board in which no single gender represents more than sixty five percent (65%) of directors; and
- (d) in addition to its own search process, direct qualified independent external advisors, if so engaged, to consider candidates on merit against objective criteria, with due regard for the benefits of diversity in Board and executive leadership composition.

The G&S Committee's diversity objectives are supported by the Director Tenure provisions set forth in the Company's Board of Directors Governance Guidelines, which encourage ongoing Board renewal and the regular consideration of diversity by the Committee.

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3.2. Diversity in Executive Leadership.

Diversity is also an important consideration for the Company in determining executive leadership. Diversity has been established as one of the criteria in the Company's Talent Management Plan, a programme that seeks to identify, mentor and develop current executives, managers and other employees for more senior positions throughout the Company. As part of its mandate to monitor the human resource planning of the Company for orderly development and succession of the senior positions of the Company, the G&S Committee will ensure that the objectives of this Diversity Policy are applied to the implementation of the Talent Management Plan and also when identifying and evaluating external candidates for executive leadership positions within the Company.

3.3. Gender Diversity

Gender diversity is integral to the Company's diversity strategy. The Board is committed to ensuring that gender diversity is actively pursued and seeks, over time, to increase female representation on the Board and at the executive level. To promote this objective, the G&S Committee will ensure that the selection process for positions on the Board and at the executive level will include the following steps:

- (a) a list of potential qualified candidates for consideration will be built and maintained which will include at least one female candidate; and
- (b) if a female candidate is not selected at the end of a selection process, shall satisfy the Board that there are objective reasons to support its determination.

As required by applicable corporate and securities laws, the annual management information circular of the Company will inform shareholders and other stakeholders about the implementation of the Company's diversity commitment by:

- (a) including information about the key terms and provisions of this Policy;
- (b) including information about the G&S Committee's review of this Policy and diversity matters at the Company generally;
- (c) disclosing the number and proportion of women on the Board and in executive positions of the Company; and
- (d) disclosing mechanisms for fostering Board renewal adopted by the Board.

4. POLICY REVIEW

This Policy shall be reviewed biennially and proposed changes recommended to the Board of Directors.

Policy Review Administered by: Governance & Sustainability Committee and the Board of Directors.

Division Responsible: Executive

5. POLICY REVISION HISTORY:

Revision	Date	Description of changes	Approved by
0	March 2016	Initial release and implementation	Board of Directors
1	November 2020	Explanatory wording added for considerations for selection of nominees, addition of gender balance target	Board of Directors
2	November 2021	Update of legal references, removal of word “Independent” and addition of discretion	Board of Directors
3	August 2022	Updated wording	Board of Directors