



The Board of Directors (the “Board”) of Caribbean Utilities Company, Ltd. (the “Company”) is responsible for the stewardship of the Company. The Board will provide independent, effective leadership to supervise the management of the business and affairs of the Company to grow value in a profitable and sustainable manner.

## **1. Composition**

The Board will be comprised of between seven and 13 directors, as determined by the Board and as required under the Articles of Association of the Company (“the Articles”). Board members will be elected at the annual meeting of shareholders each year and will serve until their successors are duly elected except as set out under the Articles.

## **2. Duties and Responsibilities**

Members of the Board are expected to attend meetings of the Board and any Board committees of which the directors are members, and to review related meeting materials in advance.

The Board will:

### **A. Strategic Planning and Risk Management**

1. Adopt a strategic planning process and approve, on an annual basis, a strategic business plan for the Company that considers, among other things, the strategic opportunities and risks of the business;
2. Monitor the implementation and effectiveness of the approved strategic business plan;
3. Assist the President and Chief Executive Officer (“the CEO”) in identifying the principal risks of the Company’s business and the implementation of appropriate systems to manage such risks;

### **B. Human Resources Management**

1. Select, appoint and evaluate the CEO and determine the terms of the CEO’s employment with the Company;
2. Appoint all officers of the Company in consultation with the CEO and determine their terms of employment, training, development and succession planning (including the processes for appointing, training and evaluating senior management), with the authority to approve and amend, as necessary, the employment contracts of all officers;
3. Satisfy itself, to the extent feasible, as to the integrity of the CEO and other officers and the creation of a culture of integrity throughout the Company;

### **C. Finances, Controls and Internal Systems**

1. Review and approve all material transactions including acquisitions, divestitures, dividends, capital allocations, expenditures and other transactions that exceed threshold amounts set by the Board;



2. Evaluate the Company's internal controls relating to financial and management information systems in conjunction with the Audit Committee and the Company's internal audit function;

**D. Communications**

1. Adopt a disclosure policy that seeks to ensure that effective communications, including statutory communication and disclosure, are established and maintained with employees, shareholders, financial community, media, customers, the general public and other stakeholders of the Company;

**E. Governance**

1. Develop the Company's approach to corporate governance issues, principles, practices and disclosure;
2. Establish appropriate procedures to evaluate director independence standards and allow the Board to function independently of management;
3. Appoint from among the directors an Audit Committee, the Nominating and Corporate Governance Committee and such other committees of the Board as deemed appropriate and delegate responsibilities thereto in accordance with their mandates;
4. Develop and monitor compliance with the Company's code of ethics and, through the Audit Committee, its Whistle-Blower Policy;
5. Evaluate and review the performance of the Board, each of its committees and its members.

**F. Board Meetings**

1. Meet at least four times annually and as many additional times as needed to carry out its duties effectively. The Board may, on occasion and in appropriate circumstances, hold a meeting by telephone conference call.
2. Meet in separate, non-management, in camera sessions at each regularly scheduled meeting.
3. Meet in separate, non-management, closed sessions with any internal personnel or outside advisors, as needed or appropriate.

**9. MANDATE REVISION HISTORY:**

<b>Revision</b>	<b>Date</b>	<b>Description of changes</b>	<b>Approved by</b>
0		Initial release and implementation	Board of Directors
1	August 2009		Board of Directors
2	September 2013	Reformatting	Board of Directors