

## Strategic Planning and Investments Committee Charter

### **POLICY**

It is the policy of St. Lucia Electricity Services Ltd. (“the Company”) to establish and maintain a Strategic Planning and Investments Committee, (“the Committee”).

### **OBJECTIVE**

The objective of this policy is to assist the Board in the effective discharge of its responsibilities regarding the Company’s investment policies, strategies, and performance.

### **PURPOSE AND FUNCTION:**

The Strategic Planning and Investments Committee will assist the Board of Directors in the following areas:-

1. In consultation with management, to review, assess and recommend to the Board the execution of major investments in plant and equipment, new business opportunities within and outside of the Company’s core business and the mechanism and form for undertaking such ventures through means such as mergers, acquisitions, joint ventures, wholly owned subsidiaries, etc.
2. To provide guidance to management in the identification, consideration, review analysis and selection, negotiation and execution of any such transactions and the form thereof;
3. To review, analyze, report and recommend to the Board regarding strategic initiatives available to the Company for enhancing shareholder value in collaboration with management.

### **AUTHORITIES**

The Committee is authorized by the Board to:

1. Investigate any activities within the scope of the Committee's duties;
2. Obtain any information it requires from the Senior Management and to invite them to attend Committee meetings or related deliberations;
3. In consultation with the Chairman of the Board or the Managing Director obtain legal or other independent professional advice;
4. Make recommendations for the improvement of operating performance
5. Where necessary undertake discussions with third parties either as providers of information to assist in the analysis and decision related to any undertaking or venture; as sources of expertise in any area that may be deemed necessary; as parties interested in the proposed venture or in any other capacity that will assist the Committee in making the best possible recommendation to the Board taking all relevant factors into consideration.

For the avoidance of doubt the Committee shall have no executive or supervisory powers with regard to its

findings or recommendations save and except where the Board has delegated decision making authority to the Committee on a particular issue.

## **RESPONSIBILITIES**

The Committee will carry out the following responsibilities:

### **Investments and Initiatives**

1. Identify and consider new and emerging trends in the electricity and other businesses and to provide the best information that it is able to ascertain, and that will, to the greatest extent possible, enable the Company/ Board of Directors to make well informed decisions on the strategic decisions for the Company.
2. Review, consider and recommend to the Board strategic decisions regarding new business ventures, new investments, acquisitions and disposals of businesses and assets.
3. Provide guidance and direction to management on matters that will further the development and achievement of the Company's strategic and business goals and to enhance shareholder value.
4. Review, evaluate and advise the Board regarding progress towards the Company's long term strategic goals and objectives.
5. Review the financial and other conditions of the Company in the context of the achievements of its strategic objectives and propose financial, corporate, operational executive and other changes that in its consideration are necessary to achieve strategic objectives.
6. To review and recommend policies and plans that maintains and improves the medium to long term financial strength and viability of the Company.
7. To review and recommend long-term financial and other strategic plans for the Company.
8. To review and recommend the annual operating budget and projections for consistency with the long-term financial plans and strategies. These will include, but not limited to:-
  1. Assumptions underlying the Budget
  2. Operating results
  3. Capital expenditure programme
  4. Funding plan.
  5. Key indices and ratios
9. To review analyze and recommend major corporate restructuring including new subsidiaries, undertakings or discontinuation or disposals thereof.
10. To review the financial and other critical aspects of major proposed transactions, new programs and services, as well as proposals to discontinue programs or services, and making recommendations to the Board.
11. To review the Company's dividend policy, as and when required
12. To review the Company's capital structure, as and when required
13. Monitoring the financial and other performance areas of the organization, subsidiaries and undertakings against approved Budgets, strategic objectives, long-term trends, and industry benchmarks.
14. Recommending to the board policies governing major investments, capital projects, financing of ventures, etc.
15. Reviewing reports from independent investment advisers and managers where applicable to its mandate.

### **Risk management**

1. Review the effectiveness of the applicable Risk management policies and activities as it pertains to developments in the electricity sector and other business ventures of the Company and make appropriate recommendations as necessary.

## **Reporting responsibilities**

1. Periodically provide the Board with the results of its reviews and resultant recommendations.
2. Provide periodic updates to Board on the Company's achievements of and readiness for the attainment of its strategic objectives.
3. Provide to the Board such additional information and materials it deems necessary
4. Inform the Board of any significant matters that require its attention.
5. Report the findings of the annual performance evaluation of the Committee to the Board of Directors in written form.

## **Other responsibilities**

1. Supervise and direct any special activities within its mandate that the Board considers necessary.
2. Review and if necessary update the charter annually and submit to the Board for approval.
3. Adopt an annual work program to ensure that it discharges its responsibilities as set out in its charter.
4. Such other matters that may be properly referred to the Committee by the Board of Directors.

## **COMPOSITION AND TENURE**

The Committee shall comprise not less than three non-executive members of the Company's Board of Directors, who shall be appointed annually by the Board, using its best efforts to do so at the first Board of Directors meeting following the Company's Annual Shareholders Meeting. Executive Directors can be appointed to the Committee.

The Board of Directors shall also elect a Chairman from among the members appointed to serve on the Committee.

For the conduct of meetings of the Committee, those present shall choose from among themselves a Chairman for the said meeting in the absence of the appointed Chairman.

The Board shall ensure that, to the best of its ability, the members of the Committee shall collectively possess the knowledge and skills deemed essential for performance of their responsibilities including, but not limited to accounting, finance and engineering skills. When necessary, the Board will also provide the requisite authority and financial resources to the Committee to obtain those specialized skills that the Committee may, in its judgment be required to effectively carry out its duties and the terms and conditions of which are to be approved by the Board in advance.

To effectively perform his or her role, each committee member will be required to ensure an understanding of the responsibilities and requirements of and for committee membership as well as of the company's business and operations.

The Company Secretary or in his or her absence an appointee of the Managing Director shall act as coordinator of the Committee's meetings and such coordinator shall be responsible for providing secretarial and support services, including the recording and production of the minutes of meetings.

The Chairman of the Board of Directors shall have a right to attend and be heard at the meetings of the Committee

## **QUORUM**

A majority of the Committee shall constitute a quorum.

**MEETINGS**

The Committee shall meet as and when required, but not less than three times a year, at such times to be determined by its Chairman. The Chairman may, with the approval of the Board, also convene additional meetings where they are deemed to be necessary for the execution of the Committee’s functions.

Members of the Board who are not members of the Committee shall receive copies of the draft Minutes of the Committee with their quarterly Board papers and approved copies upon request.

The foregoing Strategic Planning and Investments Committee Charter was discussed and approved at the ..... meeting of the Board of Directors held on .....

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Chairman of the Board of Directors

Chairman of the Committee

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