

# CORPORATE GOVERNANCE

---

The Board of Directors (“the Board”) of Cave Shepherd & Co. Limited (“the Company”) is committed to exercising strong corporate governance practices that enhance all stakeholders’ value and promote the long-term growth and financial viability of the Company. The Company adheres to all legal and regulatory requirements, guidelines and recommendations applicable to it as outlined by the Barbados Stock Exchange and the Financial Services Commission.

## BOARD OF DIRECTORS

The Board is comprised of knowledgeable and experienced Directors. The maximum number of Directors permitted by the Company’s revised by-laws is ten (10) with a minimum of three (3). The Board currently consists of ten (10) members; six (6) of whom are non-executive (of whom three (3) are independent) and four (4) are executive.

The following outlines the biographical details, experience and shareholdings of the Directors.

**R. Geoffrey Cave,**  
**CBE, BCH,**  
**Hon. LLD (UWI)**  
 Non-Executive  
 Chairman  
 Born 1942



Geoffrey Cave is currently Non-Executive Chairman of Cave Shepherd & Co. Limited. Mr. Cave was first elected Chairman of the Board of Directors in 1970. Mr. Cave chairs the Boards of associates, Duty Free Caribbean (Holdings) Ltd and Signia Financial Group Inc. He also serves as Chairman of subsidiaries, DGM Holdings Inc., Fortress Fund Managers Limited and Fortress Caribbean Property Fund Limited SCC.

Mr. Cave served as an Independent Senator of Barbados in the Upper House from October 2009 until February 2013. In 2007, the University of the West Indies conferred on him an Honorary Degree of Doctor of Laws (LLD) and in the Queen’s New Years’ Honour’s List in 2003, he was appointed Commander of the Most Excellent Order of the British Empire. His distinguished career in business in Barbados and the region was recognized in 2001 when he was honoured with the Caribbean Master Entrepreneur Award.

Mr. Cave holds a B. Comm. from McGill University in Canada.

NATIONALITY	POSITION WITH CAVE SHEPHERD	DATE OF FIRST ELECTION	TERM OF OFFICE
Barbadian	Non-Executive Chairman	1970	2015

**John M. B. Williams,**  
**FCA**  
 Chief Executive  
 Officer  
 Born 1959



John Williams joined Cave Shepherd & Co. Limited as Chief Executive Officer in 2006 and was appointed to the Board in 2007. Mr. Williams serves as a Director on the Boards of Bridgetown Cruise Terminal Inc., Duty Free Caribbean (Holdings) Ltd, GCS Limited and Signia Financial Group Inc. associates of Cave Shepherd & Co. Limited. He is also a Director of DGM Holdings Inc., Fortress Fund Managers Limited and Fortress Caribbean Property Fund Limited SCC.

Mr. Williams has over 25 years’ experience in senior management positions in both services and manufacturing industries. In 2011, he was appointed Chairman of the Barbados Private Sector Association, a position he held until January 2014. Previously, he has served as President of the Barbados Chamber of Commerce and Industry and Deputy President of the Institute of Chartered Accountants of Barbados.

Mr. Williams is a Mathematics graduate of Manchester University, UK. He is a fellow of the Institute of Chartered Accountants of England and Wales (FCA) and the Institute of Chartered Accountants of Barbados (FCA).

NATIONALITY	POSITION WITH CAVE SHEPHERD	DATE OF FIRST ELECTION	TERM OF OFFICE
Barbadian	Chief Executive Officer	2007	2018

---

**Professor V. Eudine Barriteau, GCM**

Pro-Vice Chancellor & Principal, University of the West Indies, Cave Hill Campus  
Born 1954



Eudine Barriteau was elected to serve on the Board of Cave Shepherd & Co. Limited in 2008. She is a member of the Corporate Governance & Nomination Committee.

Professor Barriteau is an academic with numerous scholarly writings to her credit. She serves on a number of Boards and Committees regionally and internationally.

Professor Barriteau is currently the Pro-Vice Chancellor & Principal of the University of the West Indies (UWI), Cave Hill Campus. She has previously held the positions of Pro-Vice Chancellor & Principal of UWI, Open Campus and Deputy Principal, Cave Hill Campus as well as Head of the Centre for Gender and Development Studies, University of the West Indies, a position she held for fifteen (15) years.

**NATIONALITY**  
Grenadian

**POSITION WITH CAVE SHEPHERD**  
Independent Director

**DATE OF FIRST ELECTION**  
2008

**TERM OF OFFICE**  
2017

---

**Roger M. Cave, CA, CFA**

Investment Director  
Fortress Fund Managers Limited  
Born 1966



Roger Cave joined the Board of Cave Shepherd & Co. Limited in 1997. He is the Founder and Investment Director of Fortress Fund Managers Limited, a subsidiary of Cave Shepherd & Co. Limited. Fortress manages a suite of mutual funds, including Fortress Caribbean Growth Fund, Fortress Caribbean Property Fund Limited SCC, Fortress Caribbean Pension Fund and Fortress Caribbean High Interest Fund.

Mr. Cave serves as a Director on the Boards of Duty Free Caribbean (Holdings) Ltd and DGM Holdings Inc. He is a board member of the Barbados Stock Exchange.

Mr. Cave is a graduate of Bishop's University, Canada where he obtained a BBA. He is a CFA charter holder as well as a Chartered Accountant. He is a fellow of the Institute of Chartered Accountants of Barbados (FCA).

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Executive Director

**DATE OF FIRST ELECTION**  
1997

**TERM OF OFFICE**  
2018

---

**Maureen D. Davis**

Chief Development Officer,  
Duty Free Caribbean (Holdings) Ltd.  
Born 1964



Maureen Davis joined the Board of Cave Shepherd & Co. Limited in 2007. She is currently the Chief Development Officer of Duty Free Caribbean (Holdings) Ltd, a position she has held since that company's formation in 2000. Mrs. Davis serves as a Director on the Board of Fortress Caribbean Property Fund Limited SCC.

She also serves on the Board of the Tourism Development Corporation and is a Council member of the Barbados Museum and Historical Society.

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Executive Director

**DATE OF FIRST ELECTION**  
2007

**TERM OF OFFICE**  
2017

---

**Robert M. Harvey-Read, B. Comm**

Retail Manager,  
Automotive Art  
Born 1964



Robert Harvey-Read was elected to the Board of Cave Shepherd & Co. Limited in 2008. He is a member of the Audit Committee.

Mr. Harvey-Read is the South Florida Retail Manager for the US Retail Division of Automotive Art Group. He has spent a number of years in full-time Christian Ministry in Barbados, Grenada and the USA.

Mr. Harvey-Read holds a B.Comm in Business Management from Ryerson University in Canada.

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Non-Executive Director

**DATE OF FIRST ELECTION**  
2008

**TERM OF OFFICE**  
2018

---

**Edward J. L. Ince,**  
**BSc**

Joint Managing  
Director,  
Prism Services  
Group Inc.  
Born 1962



Edward Ince joined the Board of Cave Shepherd & Co. Limited in 2012.

Mr. Ince is joint Managing Director of Prism Services Inc., a company that he co-founded in 1993, which has operations throughout the Caribbean and Central America. He was previously General Manager of Fujitsu-ICL Caribbean Limited, Eastern Caribbean.

Mr. Ince is a graduate of York University, Canada where he obtained a BSc. (Hons) in Computer Science.

**NATIONALITY**

Barbadian

**POSITION WITH CAVE SHEPHERD**

Non-Executive Director

**DATE OF FIRST ELECTION**

2012

**TERM OF OFFICE**

2015

---

**Lyden J. Ramdhanny**

Business Executive,  
L.L. Ramdhanny & Co.  
Born 1952



Lyden Ramdhanny was appointed to the Board of Cave Shepherd & Co. Limited in 2008. He is the Chairman of the Audit Committee and a member of the Corporate Governance & Nomination Committee. Mr. Ramdhanny previously served as a Director on the Board of Duty Free Caribbean (Holdings) Ltd an associate of the company for five years from its inception in 2000.

Mr. Ramdhanny is a prominent businessman in Grenada having held numerous Private Enterprise and Public Service/Governmental posts.

**NATIONALITY**

Grenadian

**POSITION WITH CAVE SHEPHERD**

Independent Director

**DATE OF FIRST ELECTION**

2008

**TERM OF OFFICE**

2015

---

**Richard G. Simpson**

Business Executive,  
Duty Free Caribbean  
(Holdings) Ltd.  
Born 1959



Richard Simpson was elected to serve on the Board of Cave Shepherd & Co. Limited in 2007. He joined Cave Shepherd & Co. Limited in 1983 and has worked in several departments of retail operations.

Mr. Simpson is a member of the Executive Committee of Duty Free Caribbean (Holdings) Ltd with responsibility for premises and facilities.

**NATIONALITY**

Barbadian

**POSITION WITH CAVE SHEPHERD**

Executive Director

**DATE OF FIRST ELECTION**

2007

**TERM OF OFFICE**

2015

---

**M. Grantley Taylor**

Retired Business  
Executive  
Born 1939



Grantley Taylor has served on the Board of Cave Shepherd & Co. Limited since 1991. He is the Chairman of the Corporate Governance & Nomination Committee and a member of the Audit Committee and currently serves as a Pension Plan Trustee.

Mr. Taylor is now retired having spent most of his working career at Cave Shepherd & Co. Limited. He also served as the Corporate Secretary of Cave Shepherd & Co. Limited during the period 1970 to 1980.

Mr. Taylor served on the steering committee of the Barbados Stock Exchange when the Barbados Central Securities Depository Inc. was formed in 1999.

Mr. Taylor holds a diploma in management from Irish Institute of Management.

**NATIONALITY**

Barbadian

**POSITION WITH CAVE SHEPHERD**

Independent Director

**DATE OF FIRST ELECTION**

1991

**TERM OF OFFICE**

2015

## DIRECTORS' SHAREHOLDINGS

Directors' shareholdings in Cave Shepherd & Co. Limited as at December 31st 2015 and as at March 10th 2016, are as follows:

	Shares as at December 31, 2015		Shares as at March 10, 2016	
	Beneficial	Non-Beneficial	Beneficial	Non-Beneficial
R. G. Cave	5,858,534	-	5,858,534	-
V. E. Barriteau	-	-	-	-
R. M. Cave	317,735	-	320,235	-
M. D. Davis	79,184	-	79,184	-
R. M. Harvey-Read	22,465	-	22,465	-
E. J. L. Ince	143,687	-	143,687	-
L. J. Ramdhanny	-	-	-	-
R. G. Simpson	68,816	-	68,816	-
M. G. Taylor	54,034	-	54,034	-
J. M. B. Williams	54,102	-	56,602	-

Directors' Interest in the Share Option Plan of Cave Shepherd & Co. Limited as at December 31st 2015 is as follows:

Year	Granted	Vested	Exercised	Unvested	Total	Exercise Price
2015	65,000	43,333	-	21,667	65,000	\$3.00
2014	65,000	65,000	-	-	65,000	\$2.60
2012	62,000	62,000	-	-	62,000	\$ 4.60
2011	62,000	62,000	-	-	62,000	\$ 4.48
	<b>254,000</b>	<b>232,333</b>	-	<b>21,667</b>	<b>254,000</b>	

The market price of Cave Shepherd & Co. Limited shares at December 31st 2015 was \$3.01.

## SUBSTANTIAL SHAREHOLDINGS OTHER THAN DIRECTORS HOLDING MORE THAN 5% OF THE ISSUED SHARES

Landview Limited	2,193,517
Aerie Limited	2,148,649

# BOARD OPERATIONS

---

The Board's key responsibilities which it exercises through decision making and oversight are strategic planning, risk management, succession planning, shareholder communications and public disclosures, corporate governance, legal and regulatory compliance and performance evaluations. The position description for the Chairman is clearly defined.

The Board determines its own organization. The Board has Audit and Corporate Governance & Nomination Committees to assist it in fulfilling its duties.

During 2015, the Board had five (5) formal meetings. The Board manages an annual schedule of critical items designed to ensure that it fulfils its obligations. The Board reviewed and approved financial statements, final and interim dividend payments and the progress of Cave Shepherd's strategy. The Board also considered different business opportunities, reviewed and managed Company risk and received reports on the work carried out by its Audit and Corporate Governance & Nomination Committees.

Directors' record of attendance at Board and Committee Meetings are reflected in the table below.

	<b>Board Meetings</b>	<b>Audit Committee Meetings</b>	<b>Corporate Governance &amp; Nomination Committee Meetings</b>	<b>Total</b>
R. G. Cave	5/5			5/5
V. E. Barriteau	3/5		3/3	6/8
R. M. Cave	5/5			5/5
M. D. Davis	4/5			4/5
R. M. Harvey-Read	5/5	3/4		8/9
E. J. L. Ince	5/5			5/5
L. J. Ramdhanny	5/5	4/4	3/3	12/12
R. G. Simpson	5/5			5/5
M. G. Taylor	5/5	4/4	3/3	12/12
J. M. B. Williams	5/5			5/5

---

## ONGOING DIRECTOR DEVELOPMENT

During 2015 ongoing Directors' education focused on anti-money laundering and terrorist financing and application of the Barbados Stock Exchange Corporate Governance Recommendations. The Board is committed to ongoing education of its Directors.

## BOARD EVALUATIONS

In 2015 the Board undertook its annual performance evaluation. The Board delegated this function to the Corporate Governance & Nomination Committee with the assistance of the Group Corporate Secretary. The performance evaluation addressed the performance and effectiveness of the individual directors and the Board's performance as a whole.

The performance evaluation was conducted electronically and results of the survey were submitted by each Director on a confidential basis to the Group Corporate Secretary who compiled a report. The survey confirmed that the Board is operating effectively and the report was submitted to the Board for discussion.

# BOARD COMMITTEES

---

There are two (2) committees of the Board - the Audit Committee and the Corporate Governance & Nomination Committee. These Committees play an integral part in the governance process of the Company in that they assist the Board with the proper discharge of its functions by providing an opportunity for more in-depth discussions. The Committees are required to regularly report back to the Board on findings, assessments and proposed courses of action. The position descriptions for the Chairmen of the Committees are clearly defined.

## THE AUDIT COMMITTEE

**Members:** Lyden J. Ramdhanny, Chairman  
Robert M. Harvey-Read  
M. Grantley Taylor

The majority of the members of the Audit Committee are independent directors. An independent member is an individual who meets the independence requirements of the Company's Corporate Governance Policy. The majority of members are financially literate with a sound understanding of the accounting principles and who possess the experience in analyzing and evaluating financial statements.

The Audit Committee assists the Board in overseeing the external audit process and managing all aspects of the relationship with the Auditors. It provides a direct channel of communication between the Auditors and the Board and assists the Board in ensuring that the audit is conducted in a thorough, objective and cost-effective manner. The Committee also reviews interim and audited financial statements and oversees the internal audit process, reviewing the Internal Auditor's assessment of the adequacy and effectiveness of the Company's internal controls, legal and regulatory compliance and risk management.

The Charter of the Audit Committee can be found on the Company's website at [www.caveshepherd.com](http://www.caveshepherd.com)

## AUDIT COMMITTEE OPERATIONS

The principal business for 2015 included:

- Reviewing and approving the external audit plan and timetable and approving external audit fees;
- Reviewing and approving the internal audit plan and approving internal audit fees;
- Reviewing and recommending for approval to the Board interim and annual audited financial statements;
- Reviewing and recommending for approval to the Board the Risk and Operational Risk Policies;
- Reviewing and recommending for amendment the Audit Committee's Charter;
- Conducting its annual performance evaluation.

## AUDIT FEES

Audit Fees for the Cave Shepherd Group are as follows:

	2015 (000's)	2014 (000's)
Audit fees	\$165	\$177
Audit related fees	\$34	\$22
Tax fees	\$10	\$16
TOTAL	\$209	\$215

# BOARD COMMITTEES CONT'D

---

## THE CORPORATE GOVERNANCE & NOMINATION COMMITTEE

**Members:** M. Grantley Taylor, Chairman  
V. Eudine Barriteau  
Lyden J. Ramdhanny

The members of the Corporate Governance & Nomination Committee are independent directors. An independent member is an individual who meets the independence requirements of the Company's Corporate Governance Policy.

The Corporate Governance & Nomination Committee develops and recommends to the Board policies and procedures to establish and maintain good corporate governance practices. The Committee is also responsible for reviewing and advising the Board on the nomination and appointment of Directors and assists the Board in creating a culture of honesty, integrity, transparency and accountability.

The Corporate Governance & Nomination Committee's Charter can be found on the Company's website at [www.caveshepherd.com](http://www.caveshepherd.com)

## CORPORATE GOVERNANCE & NOMINATION COMMITTEE OPERATIONS

The principal business for 2015 included:

- Reviewing and recommending for amendment to the Board various Company policies and Committee charters;
- Reviewing compliance with legal and regulatory requirements;
- Overseeing and conducting the Board and Committee performance evaluations

---

## EXECUTIVE MANAGEMENT & CORPORATE SECRETARY

The following table sets forth the name and year of appointment of the current four (4) members of Executive Management and the Group Corporate Secretary, as well as a short description of their business experience, education and activities:

**John M. B. Williams,**  
**FCA**  
Chief Executive  
Officer  
Born 1959



John Williams is the Chief Executive Officer of Cave Shepherd & Co. Limited. He is responsible for the management of the day-to-day operations of the Company as delegated by the Board.

Mr. Williams serves as a Director on the Boards of Bridgetown Cruise Terminal Inc., Duty Free Caribbean (Holdings) Ltd, GCS Limited and Signia Financial Group Inc. associates of Cave Shepherd & Co. Limited. He is also a Director of DGM Holdings Inc., Fortress Fund Managers Limited and Fortress Caribbean Property Fund Limited SCC.

Mr. Williams is a mathematics graduate of Manchester University, UK. He is a fellow of the Institute of Chartered Accountants of England and Wales (FCA) and the Institute of Chartered Accountants of Barbados (FCA).

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Chief Executive Officer

**YEAR OF APPOINTMENT**  
2006

**Ian P. Gibson,**  
**FCA, CGA**  
Chief Financial  
Officer  
Born 1962



Ian Gibson is the Chief Financial Officer (CFO) of Cave Shepherd & Co. Limited. He also serves as Director of the Board of Bridgetown Cruise Terminal Inc. and GCS Ltd. associates of the Company. As CFO, he is responsible for the administrative, financial and risk management operations of the Company.

Mr. Gibson joined the Company in 1995 as Financial Controller. Prior to this, he was employed with a leading audit firm.

Mr. Gibson is a Fellow of the Institute of Chartered Accountants of Barbados (FCA) - Practising Member and a member of the Chartered Professional Accountants of Canada (CFA-CGA).

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Chief Financial Officer

**YEAR OF APPOINTMENT**  
2000

---

**Hanna M. Chrysostom,**  
**LLB, MBA**  
Group Corporate  
Secretary  
Born 1977



Hanna Chrysostom is the Group Corporate Secretary of Cave Shepherd & Co. Limited. She is responsible for ensuring the integrity of the Company's governance framework and as In-House Counsel she also offers legal and regulatory advice and conducts legal research for the Company.

Ms. Chrysostom is admitted to practice as an Attorney-at-Law in Barbados and Trinidad & Tobago. She has had a diverse legal career with over ten (10) years of experience in corporate and commercial law and litigation. She has worked in private practice and as In-House Counsel for a major international telecommunications company.

Ms. Chrysostom holds a Masters of Business Administration from the University of Durham, UK.

**NATIONALITY**  
Trinidadian

**POSITION WITH CAVE SHEPHERD**  
Group Corporate Secretary

**YEAR OF APPOINTMENT**  
2013

---

**Alison Browne-Ellis,**  
**MBA**  
Director - Card  
Services  
Born 1979



Alison Browne-Ellis is the Director of the Card Services division. She is responsible for the overall management of the Cave Shepherd Card including strategic planning and execution; business development, coaching and professional development, budgeting and forecasting, customer service management, credit portfolio management and project management.

Mrs. Browne-Ellis's background includes over fifteen (15) years experience in the financial services and credit card management industry.

Mrs. Browne-Ellis holds a Masters of Business Administration from the University of Surrey, UK.

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Director - Card Services

**YEAR OF APPOINTMENT**  
2011



---

**Roger M. Cave,**  
**CA, CFA**  
Investment Director  
Fortress Fund  
Managers Limited  
Born 1966



Mr. Roger Cave is the Founder and Investment Director of Fortress Fund Managers Limited, a subsidiary of Cave Shepherd & Co. Limited. Fortress manages a suite of mutual funds, namely the Fortress Caribbean Growth Fund, Fortress Caribbean Property Fund Limited SCC, Fortress Caribbean Pension Fund and Fortress Caribbean High Interest Fund. He also serves as a Director on the Boards of Duty Free Caribbean (Holdings) Ltd and DGM Holdings Inc.

Mr. Cave is a graduate of Bishop's University, Canada where he obtained a BBA. He is a CFA charter holder as well as a Chartered Accountant. He is a fellow of the Institute of Chartered Accountants of Barbados (FCA).

**NATIONALITY**  
Barbadian

**POSITION WITH CAVE SHEPHERD**  
Director

**YEAR OF APPOINTMENT**  
1997

---

## EXECUTIVE MANAGEMENT'S SHAREHOLDINGS (All Beneficial)

Executive Management's shareholdings as at December 31st 2015 and as at March 10th 2016, are as follows:

	<b>Shares as at December 31, 2015</b>	<b>Shares as at March 10, 2016</b>
	<b>No. of Shares held</b>	<b>No. of Shares held</b>
	<b>Common Shares</b>	<b>Common Shares</b>
J. M. B. Williams	54,102	56,602
I. P. Gibson	31,434	33,434
H. M. Chrysostom	2,000	4,000
R. M. Cave	317,735	320,235
A. E. Browne-Ellis	1,713	2,413

# MANAGEMENT PROXY CIRCULAR

---

Management is required by the Companies Act Cap. 308 of the Laws of Barbados (“the Act”) to send forms of proxy with the Notice convening the Meeting. By complying with the Act, Management is deemed to be soliciting proxies within the meaning of the Act.

This Management Proxy Circular accompanies the Notice of the Forty-Fifth Annual General Meeting of Shareholders of Cave Shepherd & Co. Limited (“the Company”) to be held at the Lloyd Erskine Sandiford Centre on **Thursday, April 21st 2016 at 5.30 p.m.**

## 1. APPOINTMENT AND REVOCATION OF PROXY

A form of proxy is enclosed and, if it is not your intention to be present at the Meeting, you are asked to complete, sign, date and return the proxy. **Proxies to be exercised at the Meeting must be deposited no later than 4:00 p.m. on Monday April 18th 2016.**

Any Shareholder having given a proxy has the right to revoke it by depositing an instrument in writing, executed by the Shareholder or his/her attorney authorised in writing, or if the Shareholder is a body corporate, partnership, estate, trust or association, by any officer or attorney thereof duly authorised at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, with the Group Corporate Secretary of the Company at the addresses listed for delivery of proxy in the Notice of the Meeting.

The persons named in the enclosed form of proxy are Directors of the Company. If you wish to appoint some other person to represent you at the Meeting, you may do so by inserting the name of your appointee, who need not be a Shareholder, in the blank space provided on the proxy form.

## 2. RECORD DATE AND VOTING OF SHARES

The Directors of the Company have fixed **Tuesday March 22nd 2016** as the Record Date for determining the Shareholders entitled to receive Notice of the Meeting, and have given notice thereof by advertisement as required by the Act. Only the Shareholders of the Company at the close of business on that day will be entitled to receive Notice of the Meeting.

Shareholders are voting on the following the:

1. the adoption of the Audited Consolidated Financial Statements for the year ended December 31st 2015;
2. the election of Directors; and
3. the appointment of Auditors for the ensuing year and for the Directors to fix their remuneration

Only Shareholders of the Company will be entitled to vote at the Meeting. On a show of hands, each Shareholder has one vote. On a poll, each Shareholder is entitled to one vote for each share held. As at the date hereof there are 18,294,818 common shares without par value of the Company issued and outstanding.

# MANAGEMENT PROXY CIRCULAR

---

## ITEM 1 - PRESENTATION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT

The Audited Consolidated Financial Statements of the Company for the year ended December 31st 2015 and the Auditors' Report thereon can be found on the Company's website [www.caveshepherd.com](http://www.caveshepherd.com).

## ITEM 2 - ELECTION OF DIRECTORS

The maximum number of Directors permitted by the revised by-laws of the Company is ten (10) and the minimum is three (3). The Board of Directors presently consists of ten (10) Members. The number of Directors to be elected at the Meeting is five (5).

- (i) the following Directors retire by rotation in accordance with paragraph 3.9 and 3.10 of the revised by-laws and being eligible, offer themselves for re-election for the stated term:

Mr. Edward J.L Ince	3 Years
Mr. Lyden J. Ramdhanny	3 Years
Mr. Richard G. Simpson	3 Years

- (ii) the following Director, having attained the age of 72, retires in accordance with paragraph 3.10 of the revised by-laws and being eligible, offers himself for re-election for the term stated:

Mr. R. Geoffrey Cave	1 Year
----------------------	--------

- (iii) it is recommended that the following nominee be elected to membership of the Board in accordance with paragraph 3.6(a) of the revised by-laws for the term stated:

Mr. Adrian H. Padmore	1 Year
-----------------------	--------

With respect to **Messrs Edward J.L Ince, Lyden J. Ramdhanny** and **Richard G. Simpson**, the term of office for each person so elected will expire at the close of the third Annual General Meeting of the Shareholders of the Company following his election or until his successor is elected or appointed. Each of these nominees is now a Director of the Company and will retire at the close of the Forty-Fifth Annual General Meeting in accordance with the provisions of the revised by-laws of the Company, but being qualified, is eligible for re-election. **Messrs Edward J.L. Ince, Lyden J. Ramdhanny** and **Richard G. Simpson** were elected as Directors at the Shareholders' Meeting held on April 25th 2013. These nominees are being recommended in accordance with paragraphs 3.09 and 3.10 of the revised by-laws.

**Mr. R. Geoffrey Cave** is currently a Director of the Company and is being proposed for election as a Non-Executive Director. The nominee, having attained the age of 72, is being recommended by the Board in accordance with paragraph 3.10 of the revised by-laws.

The remaining nominee is being proposed to be appointed to fill the vacancy as a result of the retirement of Mr. M. Grantley Taylor. **Mr. Adrian H. Padmore** is being proposed for election as an Independent Director and is being recommended by the Board in accordance with paragraph 3.6(a) of the revised by-laws. Mr. Padmore is the General Manager of West India Biscuit Company Limited a position he has held since 2002. He has over 20 years experience in manufacturing, sales and distribution, and retail in Barbados, as well as in developing brands and export markets throughout the Caribbean and wider afield.

He is currently a Vice President of the Barbados Manufacturers' Association as well as a Director of Barbados Young Men's Christian Association and Barbados Investment and Development Corporation.

Mr. Padmore is a graduate of Coventry University, UK where he obtained a Higher National Diploma in Mechanical Engineering.

The Management of the Company does not contemplate that any persons named above will, for any reason, become unable or be unwilling to serve as a Director.

*A simple majority of votes cast by Shareholders present and voting at the Meeting, whether by proxy or otherwise is required to elect the above-named Nominees.*

# MANAGEMENT PROXY CIRCULAR

---

## ITEM 3 - APPOINTMENT OF AUDITORS

Ernst & Young of Worthing, Christ Church, Barbados are the incumbent Auditors of the Company. It is proposed to re-appoint, Ernst & Young as Auditors of the Company to hold office until the next Annual General Meeting of Shareholders.

*A simple majority of votes cast by Shareholders present and voting at the Meeting, whether by proxy or otherwise is required to appoint the incumbent Auditors.*

*The Directors recommend that Shareholders VOTE FOR the re-appointment of Ernst & Young.*

## DISCRETIONARY AUTHORITY

The enclosed form of proxy confers discretionary authority upon the persons named with respect to amendments to or variations in matters identified in the Notice of Meeting, or other matters that may properly come before the Meeting.

Management knows of no matter to come before the Meeting other than the matters referred to in the Notice of Meeting enclosed herewith. However, if any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the shares represented by proxies in favour of management nominees will be voted on any such matter in accordance with the best judgement of the proxy nominee. Similar discretionary authority is conferred with respect to amendments to the matters identified in the Notice of the Meeting.

The contents of this Management Proxy Circular and the sending thereof to the Shareholders of the Company have been approved by the Directors of the Company.

The Company is in receipt of a Directors' statement pursuant to Section 71 (2) of the Act whereby Mr. M. Grantley Taylor has submitted his resignation and indicated that he will not seek re-appointment at the Forty-Fifth Annual General Meeting.

No Auditors' statement is submitted pursuant to Section 163 (1) of the Act.

No Shareholders' proposal and/or statement is submitted pursuant to Sections 112 (a) and 113 (2) of the Act.

Dated March 10th 2016

  
Hanna M. Chrysostom  
Group Corporate Secretary