

## NCB FINANCIAL GROUP LIMITED

<b>NAME OF POLICY</b>	<b>Securities Trading Policy</b>
<b>APPROVED BY</b>	<b>Board of Directors</b>
<b>DATE</b>	<b>January 25, 2018</b>
<b>ORIGINAL APPROVAL DATE</b>	<b>March 9, 2017</b>
<b>REVIEW DATE(S)</b>	<b>January 25, 2018, May 2022</b>

### **1. POLICY STATEMENT**

This Policy is intended to ensure that the NCB Group remains compliant with the legislation, regulations and principles in relation to insider trading.

### **2. REVIEW AND UPDATE OF THE POLICY**

This policy shall be reviewed at least every two years by the Board of Directors to ensure that:

- The business continues to meet its compliance obligations in respect of the policy
- The policy maintains its relevance to the current and future business environment

The Group Legal & Corporate Services Division is responsible for undertaking the technical review of this policy and any associated company policies and submitting it to the Corporate Governance & Nomination Committee for a recommendation of approval by the Board of Directors.

## SECURITIES TRADING POLICY

### 1. The overriding statutory requirements

*There must be compliance with requirements in Securities legislation of Jamaica and Trinidad and Tobago in relation to insider trading. This section summarises some of those requirements:*

A. Persons who are “associated” with NCB Financial Group Limited (“NCBFG”) and any other company within the NCB Group that is not a private company limited by shares<sup>1</sup> (collectively referred to as “the NCB Public Companies”), or who have been associated with the NCB Public Companies at any time in the preceding 12 months, ***must not*** buy, sell or otherwise deal in stock units or other securities in the NCB Public Companies (“NCB Securities”) if that person, by reason of being associated with the NCB Public Companies, is in possession of price-sensitive information in relation to any NCB Public Company.

**Price-sensitive information** in relation to the NCB Public Companies is information that - (a) is not generally available, **and** (b) if it were generally available would be likely materially to affect the price of the NCB Securities.

The Jamaica Stock Exchange (“JSE”) *Policy Statement on Timely Disclosure* and *Guidelines on Timely Disclosure of Information* contained within the Rules of the Trinidad and Tobago Stock Exchange (“TTSE”) provide that the following types of information are material and should be disclosed by listed companies, and which therefore would normally be regarded as *price-sensitive information* until disclosed:

- Changes in capital structure
- Significant changes in management
- Major corporate acquisitions or dispositions
- Changes in corporate objectives
- Changes in corporate structure, such as reorganisations/amalgamations
- Changes in capital investment plans
- Development of new products
- Entering into or loss of significant contracts
- Changes in share ownership that may affect control of the company
- Take-over bids
- Borrowing of a significant amount of funds
- Firm evidence of significant increases or decreases in near-term earning prospects

---

<sup>1</sup> As at the date of revision of this Policy, the NCB Public Companies with listed shares are NCB Financial Group Limited and Guardian Holdings Limited.

- Public or private sale of additional securities
- Developments affecting the company's market, products, resources or technology
- Significant litigation
- Major labour disputes
- Disputes with major contractors or suppliers

Note that this list is *not exhaustive*, and information which does not fall within any of the above categories may nonetheless be price-sensitive as defined above.

The following persons are considered to be “**associated**” with the NCB Public Companies for these purposes:

- any director or manager of any NCB Public Company
- any immediate relative or partner of any director or manager of a NCB Public Company
- any company (whether or not within the NCB Group) of which a director or manager of a NCB Public Company, or an immediate relative or partner of any director or manager of a NCB Public Company, is a director or manager or has control
- any company within the NCB Group
- any company which is directly or indirectly controlled by Portland Holdings Inc. (while NCB Group remains an affiliate of Portland Holdings Inc.)
- any person who has control of a NCB Public Company
- any immediate relative or partner of any person who has control of a NCB Public Company

The following persons are “immediate relatives” for the above purposes:- spouses, parents, brothers, sisters, children, step-children, and spouses of children and step-children, and the term “spouse” includes:

- a single woman who has cohabited with a single man as if she were in law his wife for a period of not less than five years; and
- a single man who has cohabited with a single woman as if she were in law his wife for a period of not less than five years.

**B.** If any person has unpublished price-sensitive information about **any other issuer's securities** by reason of his or her position with the NCB Public Companies, the person **must not** deal in the securities of that issuer.

**C.** A director, officer or employee of a NCB Group Company, while he or she is in possession of price-sensitive information in relation to NCB Securities, **must not** cause or procure any other person to deal in NCB Securities. Note that in this document, references to a “NCB Group Company” include NCB Financial Group Limited and each subsidiary of NCB Group.

**D.** A director or employee of a NCB Group Company who is in possession of price-sensitive information in relation to NCB Securities **must not** -

- participate in the decision-making process which results in the transaction by that NCB group Company involving NCB Securities, or
- give advice to the persons who participate in the decision-making process which results in the transaction involving NCB Securities.

**E.** If a director or employee of a NCB Group company is involved in any external company (i.e. a company outside the NCB Group), including one which manages investment funds for third parties, he or she **must not**, while in possession of price-sensitive information in relation to NCB Securities -

- participate in the decision-making process which results in the transaction by that company involving NCB Securities, or
- give advice to the persons who participate in that company's decision-making process which results in the transaction involving NCB Securities.

## **2. NCB Group's Trading Policy**

In order to provide a working framework for complying with the statutory requirements and to take into account the JSE's *Model Code for Securities Transactions by Directors and Senior Executives of Listed Companies*, the Trading Policy contained in the remaining sections of this document has been developed and adopted by the NCB Group.

This Trading Policy is to be complied with by Relevant Persons and their Connected Parties (as defined in 3 below).

**Note that compliance with the provisions of this Trading Policy does not excuse anyone from failing to comply with the statutory requirements, including those outlined in 1 above. Persons must in each case ensure that the statutory requirements are being complied with in their particular circumstances. Compliance with this Trading Policy also does not excuse anyone from failing to comply with any other applicable policies, including trading policies of other companies within the NCB Group.**

## **3. Persons to whom NCB Group's Trading Policy applies**

In this Trading Policy, "**Relevant Persons**" are:

- Directors, Division Heads and Senior Managers of NCB Group and NCBJ
- Heads and Senior Managers of Subsidiaries of NCBFG and NCBJ
- Subsidiaries of NCBFG<sup>2</sup> and NCBJ

---

<sup>2</sup> Note that some transactions by subsidiaries may fall within the exception summarised in section 7 below.

- Executive Assistants (i.e. secretaries of Division Heads and Senior Managers of NCBFG and of its Subsidiaries)
- Employees of the Office of the Group Chief Executive Officer.
- All employees of the following divisions of NCBFG and NCBJ
  - The Group Finance Division
  - The Group Legal & Corporate Services Division

“**Connected Parties**” are:

- the spouse of a Relevant Person
- the dependents and minor children (these include step-children and adopted children) of a Relevant Person, and their spouses
- entities controlled by a Relevant Person
- partners of a Relevant Person
- entities controlled by any of the above Connected Persons of a Relevant Person

The term “spouse” includes:

- a single woman who has cohabited with a single man as if she were in law his wife for a period of not less than five years; and
- a single man who has cohabited with a single woman as if he were in law her husband for a period of not less than five years.

Control of a body corporate means the holding of shares carrying 30% or more of the voting rights in the body corporate.

#### 4A. **Trading in NCB Securities restricted in “No-trade Periods”**

A Relevant Person, or any Connected Party, **must not deal\* in** NCB Securities during designated No-trade Periods.

\* **Dealing** includes any of the following *whether undertaken as principal or agent*:

(i) acquiring or disposing of securities or any interest in securities; or

(ii) subscribing for/underwriting securities

(ii) making or offering to make with any person, inducing or attempting to induce any person to enter into/offer to enter into any agreement for or with a view to acquiring or disposing of securities or interest in securities, subscribing for or underwriting securities or to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the value of securities; and

(iv) granting, accepting, acquiring, disposing of, exercising or discharging an option or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or interest in securities, provided that:-

(aa) where the price payable for the securities is fixed at the time of grant of the option the dealing is regarded as having occurred at the time of the grant,

(bb) where the price payable for the securities to be acquired by the exercise of an option is to be fixed at the time of exercise of the option or at some other future time, the dealing is to be regarded as having occurred at the time when the price becomes fixed;

and “deal” is to be construed accordingly.

The No-trade Periods are the four periods each *commencing* on the final day of the last month of each quarter (except the final quarter) and the 1<sup>st</sup> day of the final month of the financial year and *ending* at the close of business on the day after the relevant NCB Public Company releases its financial results pertaining to the financial quarter or financial year, as the case may be. (Thus, if the financial results are released on a Thursday, the next day on which Relevant Persons and Connected Parties could trade in NCB Securities would be the next Monday.)

The No-trade Periods each year therefore commence on December 31, March 31, June 30<sup>th</sup> and September 1.

Notwithstanding the provisions of this clause (but without derogating from the general statutory restrictions) a Relevant Person or Connected Party may deal in NCB Securities during a no-trade period, provided the Relevant Person complies with the notification process set out at clause 6 below.

#### **4B. Trading in other (non-NCB) listed securities**

A Relevant Person or any Connected Party shall not deal in the securities of any other listed company when possessed of price-sensitive information relating to that company received by virtue of his/her position in the NCB Group.

#### **5. Exempted dealings**

The following categories of dealings are exempted from restrictions in clause 4A (no-trade period restrictions) **BUT NOT** from the statutory restrictions regarding dealing while in possession of price sensitive information:

- (a) Exercise of options or rights under an employee share or share option scheme where the participation of the person in such scheme is established prior to the time that the person acquired knowledge or possession of the material non-public information; or the plan provides for the automatic acquisition of securities by participants in such plan.
- (b) Conversion of convertible securities;

- (c) Acceptance of entitlement under an issue or offer of securities, where such issue or offer is available to all holders of a listed company's securities or to all holders or a relevant class of its securities on the same terms;
- (d) The undertaking to accept, or acceptance of a take-over offer; and
- (e) The undertaking to accept or the acceptance of securities as part of a merger by way of scheme of arrangement.

Where a Relevant Person or any Connected Party proposes to deal in **any** securities of any listed company and is unsure whether the policy applies to the proposed dealing he/she must disclose such proposed dealing to the Chair of the Corporate Governance & Nomination Committee, Corporate Secretary or other designated Officer of the listed company so that a determination can be made regarding whether the company ought to make a disclosure to the relevant Stock Exchange on which the company's securities are listed.

6. **Notification of Trading in NCBFG shares to the Company Secretary and** Chair of the Corporate Governance & Nomination Committee  
 Relevant Persons **must advise the designated officer (who, at NCBFG, is the Company Secretary or Assistant Company Secretary)** in writing of all trades in NCB Securities by themselves, their partners or their Connected Parties.

A. Dealings in "No-trade Periods"

- (a) In exceptional circumstances (e.g. where a Relevant Person has a pressing financial commitment which has to be met), a Relevant Person must submit a request in writing for permission to deal in NCB Securities during a particular No-trade Period to the Chair of the Corporate Governance & Nomination Committee (or other director appointed by him/her or by the Board Chairman for this specific purpose) and who may, in his/her sole discretion, permit the trade to be undertaken during that No-trade Period.

The request for permission should include the following:

- (i) the person's current holding of securities in the listed company whose securities are the subject of a proposed dealing; and
  - (ii) the person's intention to deal in the securities of the company during a no-trade period;
  - (iii) the reason for the proposed dealing.
- (a) The proposed dealing can only be affected upon receipt of written permission obtained pursuant to (a) above;
  - (b) An immediate notification/announcement must also be made by the person to the designated officer as well as by the designated officer of the company to the stock exchange on which the company's securities are listed. The notification/announcement to the designated officer must occur on the day the dealing occurs to enable the designated officer to inform the stock exchange not later than one

full market day following the dealing. The notification(s)/announcement(s) shall state, among other things:-

- (i) The date on which the dealing occurred;
- (ii) The consideration for the dealing; and
- (iii) The number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in the company

This advice must be given on the day that each such trade takes place. The Company Secretary or Assistant Company Secretary must acknowledge (by written confirmation, which may be by e-mail correspondence, to the Relevant Person) receipt of such advice.

The listed company must maintain a proper record of all notices received by it and the Company Secretary must, at each regular meeting of the NCBCFG Board of Directors, report on all dealings notified since the last Board meeting .

Note that this section 6 does not apply to NCBCM (or another NCB GROUP subsidiary which is licensed to deal in securities) where it is dealing *in circumstances which fall within section 8 below*.

#### B. Dealings outside the no-trade periods

Where the dealing is outside of the no-trade period, the Relevant Person must proceed as follows:

- (a) the Relevant Person must provide prior written notice to the Chair of the Corporate Governance & Nomination Committee (or other director appointed by him/her or by the Board Chairman for that specific purpose) and receive an acknowledgement; and
- (b) the Relevant Person must, within one working day after the dealing has occurred, give notice of the dealing in writing to the designated officer of the listed company and the designated officer must in turn notify the stock exchange on which the company's securities are listed no later than 5 working days after such dealing. The notice and announcement shall include the information set out in clause 6A;

Note in this regard the listed company must maintain a proper record of all notices received by it pursuant to this clause and, pursuant to Listing Agreements with the Stock Exchanges, the JSE and TTSE must promptly be notified of dealings in an issuer's securities by directors and senior management and their connected persons.

A list of notifications by Relevant Persons of trading by themselves and their Connected Parties' dealings in NCBCFG securities since the date of the previous list shall be circulated by the Company Secretary to the Board of Directors together with the other board papers.

Note that this section does not apply to NCBCM (or another NCB GROUP subsidiary which is licensed to deal in securities) where it is dealing *in circumstances which fall within clause 8 below*.



## 7. **Board Declarations as to Price-Sensitive Information**

The relevant NCB Public Company's Board of Directors may declare for that company's internal purposes, or NCBFG's Board of Directors for the entire NCB Group, that particular information is price-sensitive, and may require the communication of that declaration on a confidential basis to those Relevant Persons who it is intended or expected are or will become aware of that information.

Relevant Persons who are aware that the Board has issued such a declaration, ***must not*** trade (and shall ensure that their Connected Parties do not trade) in NCB Securities.

This prohibition on trading will continue *until* either -

- the Board communicates that it has cancelled its declaration, or
- the information has on the instructions of the Board been released to the JSE on a non-confidential basis.

**All persons must exercise their own independent judgement as to whether any information of which they are aware and which has not been made the subject of a Board declaration, is or is not price-sensitive. No one is entitled to rely on the fact that the Board has not made a declaration in relation to particular information as a basis for treating the information as not being price sensitive. The Board of Directors, in exercising its judgement as to whether or not particular information is price-sensitive, or as to whether or not to issue a declaration under this section of the Trading Policy, is not assuming any duty of care or other obligation or liability to any Relevant Persons or their Connected Parties or to anyone else.**

## 8. **Trading in securities by a NCB Group company on behalf of others**

A. Both the Jamaican and Trinidad and Tobago Securities legislation provide that, in situations where a licensed dealer in securities would not otherwise be able lawfully to deal in the listed securities of an issuer because of having insider information affecting those listed securities, the licensed dealer may nevertheless deal in those listed securities where the following three conditions are all met:

1. the licensed dealer is acting as the agent for another person pursuant to a specific instruction by that other person to effect a transaction;
2. the licensed dealer has not given any advice to that other person in relation to the said transaction; and
3. that other person is not "associated" with the licensed dealer.

A NCB Group company which is a licensed dealer in securities will not be deemed to be in violation of this Trading Policy where these three conditions are all satisfied, and *on the date that the transaction takes place*, the company notifies NCBFG's Company

Secretary or Assistant Company Secretary in writing of the transaction and confirms the above three matters in that notification.

**B.** The statutory exception referred to in section 8A above does not however apply where an NCB Group company is dealing in securities on behalf of a company or other person which/who is “associated” with that NCB group company. Note that the following persons, among others as set out in clause 1A above, are “associated” with a NCB group company:

- the directors and managers of that NCB group company
- any companies of which any director or manager of that NCB group company is also a director or manager
- a person who has control of that NCB group company
- any companies which are controlled by a person who has control of that NCB group company
- other companies in the NCB Group
- other companies directly or indirectly controlled by Portland Holdings Inc.

In cases where the statutory exception does not apply (e.g. because the NCB Group company is trading on behalf of an “associate”, or because the securities are not listed), then if any director or other officer<sup>3</sup> of that NCB Group company has price-sensitive information affecting any issuer of securities (including an NCB Public Company), that NCB Group company can enter into a transaction in the securities of that issuer where the following three conditions are all satisfied:

1. The director or other officer of that NCB group company who has the price-sensitive information *does not participate in the decision* to enter into a transaction in those securities;
2. That NCB Group company has *arrangements in place* at the time to ensure that – (a) price-sensitive information is not communicated to the person who makes the decisions on behalf of that NCB group company to enter into transactions in those securities, and (b) no advice with respect to the transactions in those securities is given to that decision-making person by the director or other officer of that NCB group company who has the price-sensitive information; and
3. The price-sensitive information is not *in fact* communicated to the person within the NCB Group company who makes the decision to enter into the transaction in those securities, and advice with respect to the transaction is not *in fact* given to that decision-making person by the officer with the price-sensitive information.

---

<sup>3</sup> This expression includes senior managers and executives such as – Managing Director, Deputy Managing Director, the president, vice-president, senior vice-president, general manager, assistant general manager, secretary, responsible officer, Chief Financial Officer or treasurer (or, in each case, anyone carrying on functions similar to those normally carried on by a holder of any of those positions)

A NCB group company will not be deemed to be in violation of this Trading Policy *where these three conditions are all satisfied*, and *on the date that the transaction takes place*, the company notifies NCBFG's Company Secretary or Assistant Company Secretary in writing of the transaction and confirms the above three matters in that notification.

By way of examples, this section 8B of the Trading Policy applies – (a) to NCBCM where it is trading on instructions from a client which is a company in which a director or manager of a NCB group company has a controlling interest, or (b) to NCBCM where it is dealing on instructions from NCB Insurance Agency & Fund Managers Limited (NCBIAFM)/West Indies Trust Company Limited (WITCO), or from any other NCB group company, which is acting on behalf of pension and investment funds which are administered and/or managed by NCBIAFM, WITCO or such other NCB group company.

**C.** If a NCB group company (such as NCBCM) is proposing to deal in the securities issued by any other company (referred to in this clause 8C as the "Target"), and an officer of that NCB group company has price-sensitive information which was obtained by that officer in the course of performing his/her duties as an officer of that NCB group company *and which relates to the proposed dealing by that NCB group company in the securities of Target*, then that price-sensitive information does not preclude the NCB group company from dealing in the securities of Target.

**D.** An NCB Group Company (such as NCBCM) should not deal in securities issued by another NCB Public Company (such as GHL) on behalf of any other NCB Group company, which could result in the internal threshold limit of the aggregate holding of NCBFG in that NCB Public Company being exceeded without approval of the Board of Directors of NCBFG. This is to avoid triggering any obligations or issues related to the holdings of NCB Group in such entities under applicable laws.

## **9. Personal reporting obligations of Directors and Senior Management of NCBFG**

Persons appointed to the Board of Directors or Senior Management (in the capacity of CEO, Corporate Secretary, COO, CFO, CRO or GCCO for example) of NCBFG have personal reporting obligations imposed by law, such as those required under the Securities Act, 2012 of Trinidad and Tobago ("Securities Act"). Failure to report as required could result in fines and penalties being imposed.

Reporting obligations also apply to any party that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of NCBFG, or a combination of both, carrying ten per cent or more of the votes attached to all outstanding voting securities of NCBFG.

All such persons should ensure they are aware of and comply with their statutory and regulatory reporting obligations.

## 10. Contraventions of this Trading Policy

Employees of the NCB Group who contravene the provisions of this Trading Policy will be subject to NCB Group's disciplinary policy and any other group disciplinary policy.

Where a Director contravenes the provisions of this Trading Policy, the matter will be brought to the attention of the Board for appropriate action.

## 11. Review and Update of this Policy

- This Policy shall be reviewed at least every two years by the Board of Directors to ensure that the business continues to meet its compliance obligations in respect of the policy; and
- The policy maintains its relevance to the current and future business environment.

The Group Legal & Corporate Services Division is responsible for undertaking the technical review of this policy and submitting any proposed revisions to the Corporate Governance & Nomination Committee for a recommendation for approval by the Board of Directors.

### *Revision History*

<b>No.</b>	<b>Description</b>	<b>Date approved by Board of Directors</b>
1	Initial board approval	March 9, 2017
2	Update made to Item 6B(b): insertion of 'working' between '5' and 'days'	January 25, 2018
3	Updates made to: <ul style="list-style-type: none"> <li>• NCB Public Companies</li> <li>• change references from 'black-out period' to 'no-trade period'</li> <li>• include reference to Trinidad and Tobago Stock Exchange Rules and legislation</li> <li>• personal reporting obligations of connected parties</li> <li>• update name change to NCBI AFM</li> <li>• wording under review and updates to the policy</li> </ul>	May 9, 2022