

CHARTER OF THE TALENT MANAGEMENT & COMPENSATION COMMITTEE OF THE BOARD

The Talent Management & Compensation Committee of the Board of Directors (the “Committee”) shall review and advise the Board on the Group’s total compensation and benefit programmes; ensure the competitiveness of these programmes; provide advice on human resources issues and oversee the execution of the talent management strategy. The Group refers to NCB Financial Group Limited and its wholly-owned subsidiaries.

A. PURPOSE

The purpose of the Committee is to support Board oversight of:

- The Group’s compensation principles and practices.
- The review of the relationship among risk, risk management, and compensation in light of the Group’s objectives, including its safety and soundness and the avoidance of practices that would encourage excessive or unnecessary risk-taking.
- Succession management for the senior officers in the Group and general human resource issues.
- Recruitment and retention of talent

B. MEMBERSHIP

The Committee shall include the Chair, Lead Independent Director and one other member who meets the Board’s requirement as an independent director.

Members, once appointed, shall hold office until their successors are appointed or until they cease to be Directors.

The Chair of the Committee shall be the Board Chairman. In the absence of the Chair, the Lead Independent Director shall chair the meeting and in his absence, one of the other members of the Committee present shall be chosen by the Committee to preside at that meeting.

C. RESPONSIBILITIES

1. Regulatory Compliance & Governance

Perform duties as required by applicable legislation and regulations and those directives, guidelines and standards under the supervision of the Bank of Jamaica.

2. Succession, Performance Evaluation and Compensation

Ensure the appropriate mechanisms are in place regarding succession management for the Executive Leadership.

3. Compensation of Senior Management

Review and approve the compensation of Senior Management regarding incentive awards, salaries and benefits, performance targets and other remuneration matters.

4. Leadership Development

Ensure appropriate framework and systems are in place to build leadership talent for enterprise needs.

5. Review Human Resource Policies and Practices

Ensure human resource systems, including hiring and learning and development polices and compensation structures are in place and are regularly reviewed.

6. Diversity

Review and ratify the Company's culture, diversity and inclusion programs and initiatives.

D. AUTHORITY

The Committee has the authority to:

- Delegate all or a portion of its duties and authority to subcommittees or individuals when appropriate;
- Engage and direct independent compensation advisors, independent counsel and other advisors as it determines necessary to carry out its duties.
- Approve all promotions for persons designated as Division Heads upon the recommendation of the President & Group Chief Executive Officer. Approvals for promotions to the post of Assistant General Manager and Senior Assistant General Manager who are not designated as Division Heads will reside with the President & Group Chief Executive Officer.

- Recommend a profit sharing policy consistent with the Company's policy and provisions of the Collective Labour Agreements between the Bank and the unions representing employees for unionized employees as well as for Executive Management.

E. MEETINGS

Calling of Meetings

Meetings of the Committee may be called by the Chair or by any two members of the Committee.

A resolution in writing signed by all of the Directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

Notice of Meetings

Notice of meeting of the Committee shall be sent by electronic mail, by personal delivery or by telephone at least 12 hours before the meeting to each member of the Committee at the member's address or communication number last recorded with the Secretary.

Quorum

The quorum for a meeting of the Committee shall be two members, including the Chairman or the Lead Independent Director.

Secretary and Minutes

The Corporate Secretary or, in his absence, an Assistant Secretary shall be the Secretary for the meeting.

Minutes of meetings of the Committee shall be recorded and maintained by the Secretary and subsequently presented to the Committee and to the Board.

F. Reporting & Review

The Committee shall:

- maintain minutes of its meetings and once approved, all minutes held and resolutions are required to be submitted to the Board in keeping with the requirements of the Group Reporting Framework. In addition, the Committee, through its Chair, shall report to the Board at the next regularly scheduled Board meeting after each Committee meeting any material issues, decisions and discussions that should be brought to the attention of the Board along with any recommendations requiring Board approval and/or action. Material issues of concern should be escalated to the Chairman of NCBFG immediately;
- biennially review this Charter and evaluate the Committee’s effectiveness in fulfilling its mandate;
- provide a report to support the development of the Corporate Governance Statement in the Annual Report, in accordance with the Board Charter; and
- perform such other duties as may from time to time be assigned to the Committee by the Board.

REVISION HISTORY

Rev.	Description	Date Approved by BoD
1	Review and approval of Charter	May 31, 2021
2	Removal of requirement for the President and Group Chief Executive Officer to be a member of the Committee and to be present at meetings. Revision of quorum to reflect two members and removal of President and Group Chief Executive Officer Update Section F on Reporting & Review to include requirements under the Group Reporting Framework.	October 30, 2023