

Corporate Governance Statement

NCBFG is subject to an extensive regulatory framework by virtue of being a licensed financial holding company with subsidiaries in multiple jurisdictions and having its shares listed on stock exchanges in Jamaica and Trinidad and Tobago.

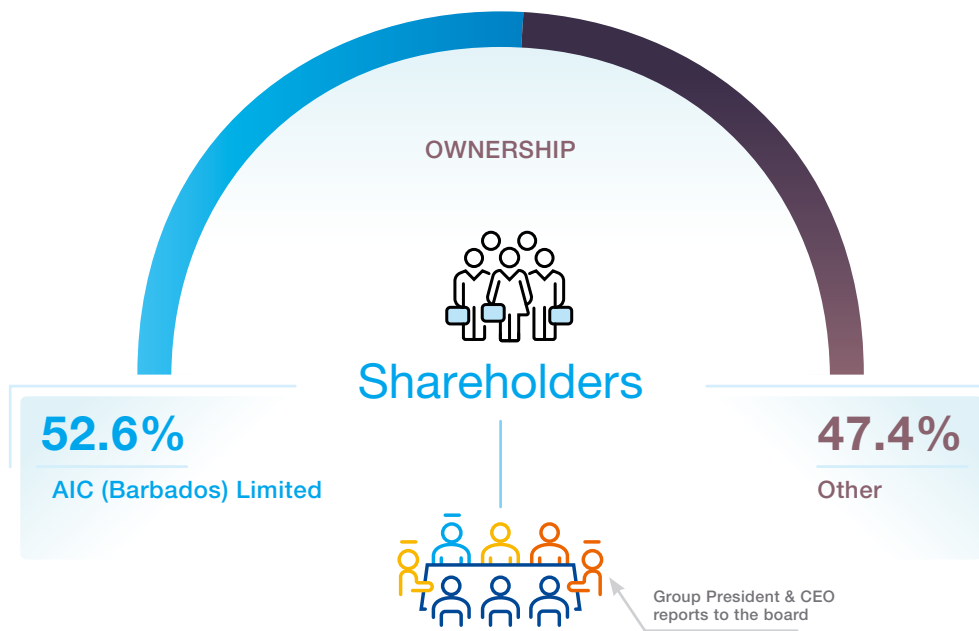


Its internal governance structure incorporates guidelines and standards provided by regulators, the Company's Articles of Incorporation as well as policies and charters adopted by the Board of Directors ("the Board"). These guidelines are updated from time to time in keeping with a commitment to maintain and promote high standards of corporate governance to maintain the trust of NCBFG's stakeholders.

In 2019, we set the aspiration of becoming a world-class Caribbean financial ecosystem by 2024. Effective corporate governance is a critical element in realising this aspiration, while ensuring the long-term sustainability of the NCB Financial Group ("the Group").

During this financial year, the COVID-19 pandemic continued to present challenges worldwide and required the continued focus of the Board on the risks faced as a Group. The implementation of a Group Reporting Framework (available on myncb.com/corporategovernance) was a priority, in keeping with our objective to align governance practices across the Group and have an efficient approach to governing each and all our entities with appropriate flows of information and oversight while recognising the distinct responsibilities of each Board, Committee, Director and Officer throughout the Group. In this regard, Chairs of Corporate Governance Committees for our major subsidiaries had an inaugural meeting in June 2021.

FIGURE 1: Corporate Governance Framework



Board of Directors

Role

The principal role of the Board is to oversee the implementation of the Group’s strategic initiatives and its functioning within the agreed framework, under relevant statutory and regulatory structures. The Board ensures the adequacy of financial and operational systems and internal control, as well as the implementation of corporate ethics and the code of conduct. All policies pertaining to the Group’s operation and functioning are to be approved by the Board.

- CHAIRMAN
- GROUP PRESIDENT & CEO
- LEAD INDEPENDENT DIRECTOR
- NON-INDEPENDENT DIRECTOR
- EXECUTIVE DIRECTOR
- INDEPENDENT DIRECTOR
- * COMMITTEE CHAIR

Matters reserved for the Board & Committees

The Board reserves a formal schedule of matters for its decision to ensure that the direction, management and control of the Group rest with the Board. This includes:

- | | | |
|--|---|---|
| Strategic issues and planning | Performance reviews | Capital expenditure |
| Ensuring regulatory compliance | Material acquisition and disposal of assets | Authority levels |
| Appointment of auditors and review of the financial statements | Reviewing the adequacy and integrity of internal controls | Financing and borrowing activities, including an annual operating plan and budget |



Corporate Governance Statement

CONTINUED

Board Composition

The Board is composed of suitably qualified and competent directors who, collectively, possess the knowledge,

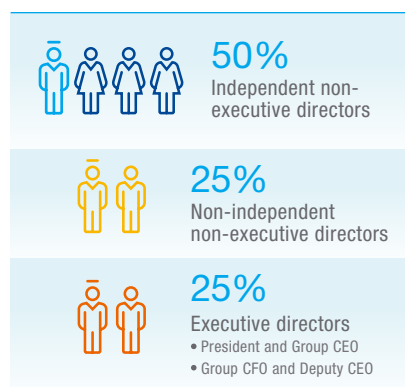
independence, diversity, skills and expertise required to provide oversight of the management and affairs of the Group's operations.

Our Articles require that the number of directors be no fewer than five and no more than sixteen. As at September 30, 2021, the Board complement was eight directors, following the resignation of

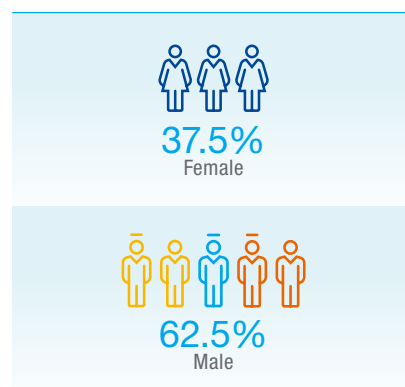
Mr Adrian Lee-Chin on July 1, 2021. There are six non-executive directors (four of whom are deemed to be independent) and two executive directors: the President and Group Chief Executive Officer ("CEO") and the Group Chief Financial Officer ("CFO") and Deputy CEO.

Profiles of our directors are available on our website at www.myncb.com/Leadership-1/Overview/Board-Of-Directors and on pages 25-28.

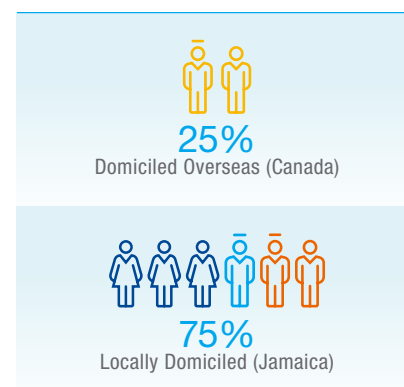
A: Balance



B: Gender



C: Residence



The Board Charter is available on the NCBFG website under www.myncb.com/corporategovernance

The definitions of 'executive directors', 'non-executive directors' and 'independent directors' set out below are as stated in the Board Charter and are generally consistent with those outlined in The Private Sector Organisation of Jamaica's (PSOJ's) Corporate Governance Code:

- ▶ **Executive Director**
Employed to the company and is normally responsible for aspects of the entity's day-to-day operations.
- ▶ **Non-Executive Director**
A director who is not an executive director.
- ▶ **Independent Director¹**
A director who:
 - a. is free of any interest, position, association, or relationship that might influence or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgment to bear on issues before the board and to act in the best interest of the entity and its shareholders generally;
 - b. does not represent a substantial shareholding of NCBFG;
 - c. is not a close relative of a significant shareholder of NCBFG; and
 - d. does not have an employment relationship with NCBFG or its parent companies.

¹ The Articles of Incorporation require the number of independent directors be no less than one-third of the Board membership



FIGURE 2:
Board skills and expertise matrix

	Strategy	Financial Expertise	Global Perspective	Financial Literacy	Legal skills & Expertise	Listed Company Experience	Human Resources & Compensation	Information Technology/Cybersecurity	Stakeholder Engagement	Corporate Governance	Leadership	Risk Management	Financial Services Industry
Robert Almeida	●	●	●	●	○	●	●	○	●	●	●	●	●
Dennis Cohen	●	●	●	●	○	●	●	●	●	●	●	●	●
Sandra Glasgow	●	○	○	●	○	●	●	○	●	●	●	●	●
Patrick Hylton	●	●	●	●	○	●	●	●	●	●	●	●	●
Michael Lee-Chin	●	●	●	●	○	●	●	○	●	●	●	○	●
Sanya Goffe	●	○	○	●	●	●	●	○	●	●	●	●	●
Thalia Lyn	●	○	○	●	○	●	●	○	●	●	●	●	●
Alvin Wint	●	●	●	●	○	●	●	○	●	●	●	●	●
Total	8	5	5	8	1	8	8	2	8	8	8	7	8
%GE	100%	63%	63%	100%	13%	100%	100%	25%	100%	100%	100%	88%	100%

// Strategy: Demonstrated experience in developing, implementing and delivering strategic objectives. **// Financial Expertise:** Experience in financial accounting and reporting, capital management and/or actuarial expertise. **// Global Perspective:** Having a global perspective through exposure or responsibility for international operations. **// Financial literacy:** Ability to analyse and interpret financial statements. **// Legal Skills & Expertise:** Proven ability and understanding in the application of legal principles. **// Listed Company Experience:** Minimum of 1 year’s experience as a non-executive director with a listed company. **// Human Resources & Compensation:** Knowledge and understanding of human resource management, talent development and compensation issues and models. **// Information Technology/Cybersecurity:** Experience in IT Governance/technology strategies and innovation and/or cybersecurity. **// Stakeholder Engagement:** Demonstrated ability to build and maintain key relationships with industry, government and regulators. **// Corporate Governance:** Knowledge and understanding of governance structures and the application of the principles of corporate governance. **// Leadership:** C-level experience (with large organisation). **// Risk Management:** Proven ability in identifying, assessing and managing macro, strategic, operational and financial risks. **// Financial Services Industry:** Exposure to and understanding of the banking, insurance and/or securities industries.

Board Leadership

The roles of the Chairman, as well as the President & Group CEO, are clearly defined and the Board supports the separation of the two roles.

Role of the Chairman

As Chairman, Hon. Michael Lee-Chin, OJ, facilitates good board leadership and governance. He has the requisite skills and experience in a broad range of industries and

organisations, including financial services, hospitality, real estate, and health care to lead this expanding Group. The Chairman also represents NCBFG to shareholders and the wider community and although, as the controlling shareholder of NCBFG, he is not an independent director, the Board believes that neither his significant interest in NCBFG nor his positions held outside NCBFG impair his ability to fulfil his duties to the Board and the Group.

Role of the President and Group Chief Executive Officer

The President and Group CEO, Hon. Patrick Hylton, OJ, CD, is responsible for the overall management of the Group and

leads the Executive Team. Mr Hylton also chairs the Boards of National Commercial Bank Jamaica Limited, NCB Capital Markets Limited, Guardian Holdings Limited and Clarien Bank Limited.

Role of the Lead Independent Director

The PSOJ’s Corporate Governance Code and the Trinidad and Tobago Corporate Governance Code recommend that where a chairman is not an independent non-executive director, the Board should appoint a lead independent director.

The responsibilities of Professor Alvin Wint, CD, as Lead Independent Director include chairing meetings of the Board where the board chairman is absent; chairing meetings of

Corporate Governance Statement

CONTINUED

the independent directors, guided by the framework set out in the Board Charter and being available, as needed, for consultation with shareholders and other stakeholders.

Role of the Corporate Secretary

The appointment and removal of a corporate secretary are subject to the approval of the Board. The Board has appointed Mr Dave Garcia as the Corporate Secretary, who is suitably qualified and capable of performing the duties of the position. The Corporate Secretary ensures that appropriate and timely information is provided to the Board and its Committees and is responsible for advising and supporting the Chairman and the Board on all governance matters. All directors have access to the Corporate Secretary.

Independence

Our Articles of Incorporation require the number of independent directors to be no less than one-third of the Board membership. One of the responsibilities of the Board is to identify which directors meet the criteria for independence on an annual basis.

The activities concerning the annual review of independence have been delegated to the Corporate

Governance and Nomination Committee. Independent directors are expected to not serve on the boards of competing companies.

Directors are required to notify the Board of any changes in status that will affect their independence, and once so notified, the Board will consider how this may affect its functioning.

As at September 30, 2021, 50% of the directors were deemed by the Board to be independent. These independent directors are:

- ▶ Professor Alvin Wint, CD (Lead Independent Director)
- ▶ Sandra A. C. Glasgow
- ▶ Thalia Lyn, OD, JP
- ▶ Sanya Goffe

Meetings of Independent Directors

To facilitate free and open communication amongst independent directors, meetings are held at which only independent directors are present, except as may otherwise be determined by the independent directors themselves.

These meetings are chaired by the Lead Independent Director or, in his absence, another independent director elected by the others present.

The objectives of these meetings are:

- ▶ To assess the extent to which directors can provide an independent perspective on Board deliberations;
- ▶ To assess the extent of their independence from the controlling shareholder and management;
- ▶ To assess the quality, quantity, and timeliness of the flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and
- ▶ To carry out such other purposes as may, from time to time, be agreed.

The Corporate Secretary (as a member of management) does not attend the meeting, nor does any other employee of the Company. The Lead Independent Director reports on the outcome of each meeting at the next regular Board meeting, as necessary, orally or in writing. If an oral report is given, any material feedback is captured in the minutes. Action items are identified and handled accordingly.

Meetings of the independent directors should occur at least twice per year. Three meetings were held during the financial year.

Access to Independent Professional Assistance

Directors are entitled to obtain independent professional advice relating to the affairs of the Group or their responsibilities as directors, subject to approval of the fee by the Board, if NCBFG is to pay it.

Access to Information and Management

The Board has unrestricted access to all company-related information. At Board meetings, managers and representatives who can provide additional insight into the items being discussed are invited.

Board Appointment and Renewal Process

The Board recognises that it derives strength from the diversity, independence, skills and expertise of its members. It has delegated the screening and selection of candidates to the Corporate Governance & Nomination Committee, which consists exclusively of independent directors.

The development of a candidate profile precedes the screening process, which includes confirming the interest and suitability of potential candidates, arranging interviews and conducting background checks. The Corporate Governance & Nomination Committee reviews the outcome of the screening process and prepares a report for consideration by the Board. The report takes into account the candidate's resume, background check findings, and results of the interview process, as well as any other relevant factors. The Board will then consider and, if thought fit, approve the appointment subject to regulatory approval or non-objection.

Pursuant to the Articles of Incorporation of NCBFG, any director appointed to either fill a casual vacancy or as an addition to the existing board will hold office

only until the next annual general meeting, where he/she will be eligible for re-election. The Articles also require that all non-executive directors retire at least once every three years, but are eligible for re-election, if recommended by the Board, for a further three-year period.

During the financial year, the potential candidacy of one person was tracked.

Director Induction and Continuing Development

Induction

There were no board appointments during this financial year; however, our process is that newly-appointed directors are required to participate in a comprehensive induction programme. This involves meetings with other members of the Board, committee chairs, executive management, heads of various divisions and subsidiaries as well as the Group's internal auditors. During the induction, Directors are encouraged to identify areas for which they would like additional information, further meetings, or training, which would then be arranged by the Corporate Secretary.

On completion of the induction programme, all new directors

Corporate Governance Statement

CONTINUED

are expected to have sufficient knowledge and understanding of the business to enable them to effectively contribute to strategic discussions and oversight of the Group.

Continuing Development

The Board is required to be up to date with current business, industry, regulatory and legislative developments and trends that will affect the Group's business operations. Consequently, the Group has a continuing development programme in place for its directors, which takes many different forms, such as distribution of publications,

payment for professional memberships, workshops, presentations at Board meetings, and attendance at conferences encompassing topics on, inter alia, directorship, corporate governance, business, industry or regulatory developments. Additionally, the Corporate Governance and Nomination Committee is charged with ensuring that Board members are developed through training or mentorship, where considered necessary.

The annual continuing development calendar includes training in at least three specific areas for directors of NCBFG, as well as other directors serving on boards within the Group.

For the 2021 financial year, the following interactive training sessions were held:

Training Session	Topic	Presenter(s)
Anti-Money Laundering/Counter Financing of Terrorism/Proliferation Financing	Considerations for leadership in developing measures to effectively mitigate, minimise and manage Money Laundering/Terrorist Financing/Proliferation Financing risks associated with countries	Calvin Wilson, Calvin Wilson & Associates
Information Technology/Cyber Security	Cloud security training	Representatives from Mandiant
Corporate Governance	The evolving role of the Board in Environmental, Social and Governance (ESG) during COVID-19 and beyond	Matt Rogers, Senior Partner from McKinsey & Company

In addition to the above training sessions, the directors of NCBFG received an insurance business presentation and were provided with a variety of thought leadership articles during the financial year.

The Focus Of The Board

During the year, the Board of NCBFG focused on strengthening the subsidiary governance framework. Key activities undertaken to enhance our corporate governance and leadership practices included:

Area of Focus	Matters considered/Activities undertaken
Subsidiary Governance	<p>Approval and implementation of a Group Reporting Framework for boards and committees. (The framework was also adopted by Guardian Holdings Limited and Clarien Bank Limited). Activities include:</p> <ul style="list-style-type: none"> ▶ Meetings of all Committee Chairs, which will be an annual event. ▶ Escalation of approved and signed minutes of board and committee meetings. ▶ Review of plans for the incorporation of subsidiaries. ▶ Approval of policies applicable to Group entities – e.g. Board Succession Planning Policy, Remuneration Policy for Directors
Strategic issues and planning	<ul style="list-style-type: none"> ▶ Review of a proposal for, and subsequent approval of, a fintech startup, TFOB (2021) Limited. ▶ Refreshing the corporate pillars. ▶ Receiving management updates on the Accelerate programme of strategic transformation and other business transformation initiatives.
Financial performance	<ul style="list-style-type: none"> ▶ Review of the impact of COVID-19 on financial performance across the Group. ▶ Review and approval of financial statements and stock exchange releases, draft audited financial statements, annual budget, and borrowing activities of NCBFG. ▶ Consideration of dividend payment and review of the Dividend Policy.
Performance reviews	<p>Participation in and reviewing results of externally facilitated board effectiveness surveys and peer evaluations, as well as a review of action plans to improve results or address areas of opportunity, where applicable.</p>
Risk	<ul style="list-style-type: none"> ▶ Review of risk appetite and principal risks. The effects of COVID-19 influenced the discussions at each Board meeting, as the risk and impact on the Group were considered. ▶ Approval of risk-related policies (new or revised) including Group Liquidity Management, Intragroup Exposure, Enterprise Risk Management, Capital Management, Group Regulatory and Financial Crimes Compliance Policy, Information Security Policy, and Business Continuity Policy.
Organisational Health/Culture	<ul style="list-style-type: none"> ▶ Review of plans for Organisational Health and the results of related surveys. ▶ Review of talent management and succession planning framework for executives. ▶ Approval of policies (new or revised): Remote Work Policy, Wellness Policy, Occupational Health and Safety Policy, Staff Loan Policy, Whistleblower Policy, Paternity Leave Policy. ▶ Discussing plans surrounding NCB Mindset.

Corporate Governance Statement

CONTINUED

Board Remuneration

The remuneration of NCBFG's Board members is based on the premise that it should be sufficient to attract, retain and motivate suitably qualified and experienced persons required to drive the business in achieving its strategic objectives without detracting from their ability to exercise independent judgment.

Executive directors and non-independent directors do not receive remuneration for directorships held in NCBFG or its

wholly owned subsidiaries whilst aggregate remuneration for its non-executive directors is approved by shareholders at annual general meetings.

There is a Non-Executive Directors' Remuneration Committee comprising those directors who do not receive fees as non-executive directors and chaired by the Board chairman. Factors that are considered when determining remuneration for non-executive directors include:

- ▶ Setting appropriate amounts that do not interfere with judgment and independence
- ▶ Size, risks, and complexity of operations of the Group
- ▶ Time commitment required
- ▶ External market factors

There is no direct link between non-executive directors' remuneration and the annual financial results of the Group and/or its subsidiaries,

and there is no requirement for share qualification.

Remuneration includes a retainer for the year and a fee for each Board and committee meeting attended. The fee structure, payable during the financial year, remained the same as the prior year, consisting of the following:

- ▶ A retainer for the chairman of \$2,666,667 per annum (not actually paid) and a retainer for other Board members of \$1,125,005 per annum.
- ▶ Directors who chair the Audit, Corporate Governance and Nomination, and the Group Risk Committees receive instead a retainer of \$1,968,760 per annum. The lead independent director, however, receives a retainer of \$2,000,000 per annum.
- ▶ A fee payable to directors of \$83,333 per Board meeting and \$66,667 for each committee meeting attended.

Fees paid for the 2021 Financial Year (after deducting withholding tax) are set out below:

Director	Q/E December 2020	Q/E March 2021	Q/E June 2021	Q/E September 2021	Total
Sandra Glasgow	969,141.52	781,642.27	906,641.77	831,641.26	3,489,066.82
Sanya Goffe	823,437.27	573,438.27	698,437.26	673,437.26	2,768,750.06
Thalia Lyn, OD, JP	573,437.25	423,438.26	548,437.76	573,437.25	2,118,750.52
Prof. Alvin Wint, CD	1,037,498.76	787,499.72	912,499.27	837,498.75	3,574,996.50

Board Committees

To assist in exercising its responsibilities, the Board has established four standing committees, three of which are chaired by independent directors:

- ▶ Audit Committee (chaired by Professor A. Wint, CD, Lead Independent Director)
- ▶ Corporate Governance & Nomination Committee (chaired by Mrs Sandra Glasgow)
- ▶ Group Risk Committee (chaired by Professor A. Wint, CD, Lead Independent Director)
- ▶ Talent Management & Compensation Committee (chaired by Hon. Michael Lee-Chin, OJ, Board Chairman)

Each Committee has a board-approved charter, which sets out the purpose, authority and responsibilities of the committee.



Each charter is available on the NCBFG website under www.myncb.com/corporategovernance



Audit Committee

The Audit Committee is solely composed of independent directors.

Professor Alvin Wint, CD **CHAIR**
Sandra Glasgow
Sanya Goffe

Its purpose is to assist the Board of Directors in fulfilling oversight responsibilities for the financial and operational reporting processes, the system of internal control, the audit process and the organisation's process for monitoring compliance with laws and regulations and the code of conduct.

Under the Audit Committee Charter, meetings are required to be held at least four times a year, with the possibility of more as circumstances may require. Representatives of the external auditors, PricewaterhouseCoopers, are invitees for all Audit Committee meetings within the Group.

During this financial year, the meeting of Audit Committee Chairs resumed, with the objective of sharing best practices to ensure consistency in the application of charter responsibilities across the Group. The meeting continues to meet its objective in this regard. It was chaired by Professor Wint and involved the Group Chief Audit Executive along with the Audit Committee Chairs of Guardian Holdings Limited and Clarien Bank Limited and the respective Heads of Internal Audit and Corporate Secretaries.

The Audit Committee executed its responsibilities under its charter during the year; some of the activities included:

- ▶ The review of quarterly unaudited financial statements and stock exchange releases with the external auditor and recommended approval of their release by the Board, giving due consideration to whether they were complete and consistent with the information known to committee members.
- ▶ The review of the external auditor's proposed audit strategy, scope and fees for the audit of the year-end financial statements.
- ▶ The review of relevant related party transactions to ensure compliance with the policy on related party transactions.
- ▶ The submission of a quarterly report to the Board, in writing, from the Audit Committee Chairman on matters reviewed and discussed by the committee.
- ▶ The holding of separate private sessions with the external auditor and the Group Chief Audit Executive.
- ▶ The review of statements of confirmation of execution of charter responsibilities to be issued to subsidiary audit committees.
- ▶ The review of the Audit Committee Charter and Internal Audit Charter.

Corporate Governance Statement

CONTINUED



Corporate Governance & Nomination Committee

The Corporate Governance & Nomination Committee is solely composed of independent directors:

Sandra Glasgow **CHAIR**
 Sanya Goffe
 Thalia Lyn, OD, JP
 Professor Alvin Wint, CD

The purpose of the Corporate Governance & Nomination Committee is to assist the Board of NCBFG in ensuring that the Board's composition, structure, policies, and processes meet all relevant legal and regulatory requirements, to strive to achieve global corporate governance best practice standards and to facilitate the Board's and management's objective of increasing the long-term value of the Group. The committee is required to meet at least twice a year, or more frequently as circumstances dictate.

The 2021 financial year was a very active one for this committee with eight meetings being held in addition to the inaugural meeting of Corporate Governance Chairs. The meeting of the Corporate Governance Chairs was hosted by Mrs Sandra Glasgow, Committee Chair, and included the Corporate Governance Chairs and Corporate Secretaries of Guardian Holdings Limited and Clarien Bank Limited.

The main activities undertaken by the Committee during this financial year were:

- ▶ Reviewing the policy and procedure framework of NCBFG and its major subsidiaries to ensure that policies remain up-to-date.
- ▶ Reviewing and recommending key corporate governance policies and charters for board approval (new or revised) - Corporate Governance & Nomination Committee Charter, Board Charter, Corporate Disclosure Policy, Code of Conduct for Directors, Board Succession Planning Policy, and Remuneration Policy for Directors.
- ▶ Reviewing the results of the externally facilitated Board Effectiveness Survey and determining possible actions to be taken to address areas of opportunity.
- ▶ Reviewing the independence status of existing directors.
- ▶ Reviewed the JSE Corporate Governance Index Gap Analysis and proposed action plan to address gaps.
- ▶ Reviewing proposed changes to the Peer Evaluation Instrument for NCBFG.
- ▶ Reviewing and updating the Fit & Proper/Due Diligence procedure for directors in keeping with the requirements of the Banking Services Act (Jamaica).
- ▶ Discussing appropriate actions to support and ensure adherence to the Securities Trading Policy.



The Talent Management and Compensation Committee

The purpose of the Talent Management and Compensation Committee, formerly known as the Compensation and Human Resources Committee, is to support the Board's oversight of:

- ▶ The Group's compensation principles and practices.
- ▶ The review of the relationship between 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.

The members of the committee are as follows:

Hon. Michael Lee-Chin, OJ **CHAIR**
 Hon. Patrick Hylton, OJ, CD
 Professor Alvin Wint, CD
 Sandra Glasgow

During the financial year, Committee Members reviewed the Committee's charter and recommended changes, including a renaming of

the Committee, for Board approval. Other activities undertaken included:

- ▶ Reviewing the succession management framework.
- ▶ Reviewing and approving compensation changes for executives, senior managers and executive secretaries.
- ▶ Reviewing Human Resources policies (new or revised) namely: Staff Loan Policy, Paternity Leave Policy, and Remote Work Policy.

The Chair hosted the inaugural meeting of the Talent Management Chairs, which also included the Heads of Human Resources of NCBJ, GHL, and Clarien along with the Corporate Secretaries of each entity.



The Group Risk Committee comprises:

- Professor Alvin Wint, CD **CHAIR**
 Robert Almeida
 Dennis Cohen
 Hon. Patrick Hylton, OJ, CD
 Sandra Glasgow
 Sanya Goffe

The purpose of the Group Risk Committee is to assist the Board in fulfilling its responsibility for oversight of the Group’s risk management framework, including risk appetite, and the policies

and major procedures related to managing credit, market, liquidity, capital, operational and certain other risks as determined from time to time. The committee also plays a role in the decision-making process around significant risks that are to be undertaken by the Group.

During the financial year, the format of presentations to the Group Risk Committee was revised to reflect three major sub-groups – NCBFG and its wholly-owned subsidiaries, Clarien Bank Limited (“Clarien”) and Guardian Holdings Limited (“GHL”). It included participation from the Heads of Risk for each entity. Focus was placed on the various categories of risk such as Compliance, Credit, Operational, Liquidity, Market, Litigation, Cross-border and Emerging Risks. For the majority of meetings, managers with responsibility for areas such as compliance, fraud prevention, information technology were invited to join the meetings to provide committee members with additional insight.

In addition, the committee examined the risk governance framework and reviewed updates to several risk-related policies, such as the Enterprise Risk Management Policy and the Information Security Policy, recommending them for Board approval.

In keeping with the requirements under the Group Reporting Framework, the Group Risk Committee Chair hosted the inaugural meeting of Risk Committee Chairs. This meeting was attended by the Risk Committee Chairs of GHL and Clarien as well as the Heads of Risk and Corporate Secretaries for all three entities.

NCB is committed to conducting business in an environmentally and socially responsible manner. This is consistent with the NCB Group’s good corporate governance and

good citizenship principles aimed at assisting in the achievement of prosperous economies in the countries in which the Group operates. Accordingly, when financing development projects, an assessment is conducted around environmental, social and governance risk issues. In addition, emerging risks are considered at Group Risk Committee meetings.

Meetings and Attendance at Board and Committee Meetings

Since the onset of COVID-19 in March 2020, meetings and training sessions have been held virtually.

Before COVID-19, directors were receiving their meeting packs through our online board portal, which facilitates the secure and convenient sharing and utilisation of Board and Board Committee documentation.

The frequency of meetings held and activities undertaken were in accordance with the respective charters. Despite the restrictions posed by COVID-19, particularly as it relates to overseas travel, meeting attendance was not hampered, as virtual meetings allowed for participation by overseas-based NCBFG Directors as well as Directors and Executives of Subsidiaries.

Corporate Governance Statement

CONTINUED

The attendance record of our NCBFG directors was almost perfect and is reflected below:



Director	Board	Audit Committee	Corporate Governance & Nomination Committee	Talent Management & Compensation Committee	Group Risk Committee
Robert Almeida	15/15	N/A	N/A	N/A	5/5
Dennis Cohen	15/15	N/A	N/A	N/A	5/5
Sandra Glasgow	14/15	7/7	8/8	3/3	5/5
Hon. Patrick Hylton, OJ, CD	15/15	N/A	N/A	3/3	5/5
Hon. Michael Lee-Chin, OJ	15/15	N/A	N/A	3/3	N/A
Sanya Goffe	15/15	7/7	8/8	N/A	5/5
Thalia Lyn, OD, JP	15/15	N/A	8/8	N/A	N/A
Prof. Alvin Wint, CD	15/15	7/7	8/8	3/3	5/5
*Adrian Lee-Chin	8/9	N/A	N/A	N/A	N/A

* Resigned on July 1, 2021

Board Performance

One of the principal responsibilities of the Board is to review its performance.

Board and Committee Evaluation

The Board evaluation process comprises two major activities:

- ▶ Director self/peer evaluation, in which directors evaluate themselves and each other.
- ▶ Board effectiveness surveys administered by an external party.

For director self/peer evaluations, each director is provided with a report on the feedback received on him/her, all directors receive comments on overall observations, and the Chairman receives details of each director's evaluation, so he may determine whether any further steps - in particular, conversations with specific directors - would be warranted or helpful.

The Board Effectiveness Survey was again facilitated by a leading global consulting firm. This year, the survey included a few questions related to COVID-19 and was complemented by interviews with six of the nine Directors at the time (three independent non-executive directors, one non-independent non-executive director and two executive directors).

The results of the Board Effectiveness Survey were presented by representatives from the consulting firm at a Board of Directors meeting held in February 2021 and generally reflected that Board members remained very satisfied with the Board's effectiveness.

Corporate Social Responsibility and Stakeholder Engagement

Disclosure and Transparency

The Group is committed to promoting investor confidence in the markets in which it operates by complying with its disclosure obligations in a way that provides investors with equal access to timely, balanced, and effective disclosures. All market-sensitive information is released to the JSE

and the Trinidad and Tobago Stock Exchange (TTSE) in compliance with our disclosure obligations under the exchanges' listing rules. Additionally, the Group facilitates quarterly investor briefings, using digital platforms that allow shareholders, journalists, and other stakeholders to participate.

The Group posts all information released to the JSE and TTSE on its website.

We believe that stakeholder engagement is vital to building a sustainable business and we engage many stakeholders in a variety of ways:

Shareholders

The President & Group CEO and the Group CFO & Deputy CEO, supported by the Corporate Secretary, Executives within the Group and the Head of Investor Relations, interact regularly with shareholders, investment analysts, and the media, most notably after the release of our unaudited financial results, at a quarterly Investor Briefing. Investor briefings continue to be held virtually, in light of the COVID-19 pandemic.

In February 2021, NCBFG held its Annual General Meeting in a hybrid format and, for the first time, all registered shareholders, regardless of geographic location, had an opportunity to attend and participate via live streaming. Questions, comments and concerns were entertained via live chat and a special e-mail box was established. These were in turn addressed by the Chairman, Board members, the Corporate Secretary and/or a representative of our External Auditors.

Employees

The safety and well-being of our employees remained a priority. Our employees were kept up to date on the rapidly changing environment and the impact of COVID-19 on our business. They were also given the opportunity to interact with leaders via frequently held webinars. The Board also carefully considered the results of the organisational health index surveys presented in addition to action plans put forward by management.

Communities²

Although COVID-19 significantly impacted community outreach activities during the financial year, the Board continued to be fully supportive of the important work being carried out by the three foundations and companies within the Group towards improving the lives of the people living in the communities in which we operate.

Customers

The Board regularly received operational updates regarding the impact of COVID-19 on our customers and the overall customer experience, as well as on organisational health. In the context of COVID-19, there has been an increased focus on engaging customers through digital channels.

Regulators and the Government

The Board, senior management and other key personnel continue to engage regulators and/or governments on issues critical to good governance as well as any other issues that they may deem important.

Suppliers and Partners

The Board recognises that our suppliers and partners are critical to the success of our digital transformation journey and is supportive of collaboration to continue to improve operational performance through technology and various other means as well as for business continuity.

² Additional information on activities relating to corporate social responsibility can be found on pages 123-128.

Corporate Governance Statement

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Contact with the Investor Relations Team and Company Registrar

The Investor Relations team is accessible and responds to enquiries received via various channels. Contact information is available for the Head, Group Investor Relations and Financial Advisory Unit of NCB and JCSD (Registrar) under the Investor Relations tab of the NCBFG website. Shareholders' queries are generally handled there or by the Corporate Secretary's Office of NCBFG. Questions and comments may also be submitted via e-mail to ncbfginvestorqueries@ncb.com

Articles of Incorporation

The Articles of Incorporation of NCB Financial Group Limited have not been amended since its incorporation in April 2016.

Other Key Governance Policies

In addition to the Board Charter, there are key policies, which further illustrate our guiding philosophy as a business:

1. The Code of Conduct applicable to all directors within the NCB Group as well as the Code of Business Conduct applicable to employees.
2. The Enterprise Risk Management Policy
3. The Corporate Disclosure Policy
4. The Anti-Bribery and Corruption Policy
5. The Securities Trading Policy
6. The Whistleblower Policy
7. The Group Regulatory and Financial Crimes Compliance Policy

The abovementioned policies are all available in digital form to employees, while The Board Charter, the Code of Conduct for Directors, Corporate Disclosure Policy, Securities Trading Policy and Whistleblower Policy are publicly available on myncb.com. Additional details may be found under Policies and Practices on pages 45-48.

Awards and Recognition

We are especially proud that our corporate governance and other practices have been recognised and have resulted in NCBFG receiving several awards over the years from the JSE. The details of the most recent awards are on page 44.

In addition, the JSE has assigned NCBFG the maximum rating of "AA" on its Corporate Governance Index (CGI). The CGI provides a numerical basis for measuring the strength of a company's adherence to corporate governance standards and best practices. These standards and best practices are based on governance codes developed by The PSOJ but also cover legal and regulatory requirements as embodied in the Rules of the JSE, the Jamaican Companies and Securities Acts. A rating of "AA" means that "The Company's performance was excellent in terms of the various principles of corporate governance as documented in the JSE's Corporate Governance Index.



Sandra A. C. Glasgow
Chair
Corporate Governance &
Nomination Committee