

Corporate Governance Statement

for the financial year ended September 30, 2023



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 all NCBFG's stakeholders.

The NCBFG Corporate Governance and Nomination Committee gives ongoing consideration to the governance framework itself.

During this financial year, we continued our focus on group and subsidiary governance. The substantial changes at the executive leadership and director levels mainly across the NCB Sub-Group tested the robustness of the governance framework, which showed its resilience. The framework was bolstered in the last quarter in the financial year by the adoption of the mantra, Efficiency, Governance, Customer Experience (EGC), across the Group.

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, 2023, the Board complement was eight directors, four of whom were deemed to be independent.



Profiles of our current Directors may be viewed on our website at <https://www.myncb.com/Leadership-1/Overview/Board-Of-Directors> and the full complement as at September 30, 2023, on pages 25-26.

1. BALANCE


Independent
Non-Executive
Directors

50% 

Non-Independent
Non-Executive
Directors


12.5% 

Executive
Directors


37.5% 

2. COMPOSITION BY GENDER

Females

37.5% 

Males

62.5% 

3. BOARD MEMBERS BY COUNTRY OF RESIDENCE

Locally Domiciled

75% 

Domiciled Overseas

25% 

Corporate Governance Statement

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 Jamaica Corporate Governance Code 2021:

- ▶ **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 Director -** 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
 - 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.

THE SKILLS AND EXPERTISE OF THE BOARD														
	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	●	●	●	●	●	●	●	●	●	●	●	●	●	
The Hon. Patrick Hylton	●	●	●	●	●	●	●	●	●	●	●	●	●	
The Hon. Michael Lee-Chin	●	●	●	●	●	●	●	●	●	●	●	●	●	
Sanya Goffe	●	●	●	●	●	●	●	●	●	●	●	●	●	
Thalia Lyn	●	●	●	●	●	●	●	●	●	●	●	●	●	
Prof. the Hon. Alvin Wint	●	●	●	●	●	●	●	●	●	●	●	●	●	
TOTAL	8	5	5	8	1	8	8	2	8	8	8	8	8	
%	100%	63%	63%	100%	13%	100%	100%	25%	100%	100%	100%	100%	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.



The Board Charter is available on the NCBFG website at www.myncb.com

Board Leadership

The roles of the Chairman and 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, O.J. facilitates good board leadership and governance. He has the requisite skills and experience in a broad portfolio 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 as the controlling shareholder of NCBFG. Whilst 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 Group.

Role of the President and Group Chief Executive Officer

The President and Group CEO is generally responsible for the overall management of the Group and leadership of the Executive Team.

Hon. Patrick Hylton, O.J., C.D. served in this capacity during the financial year but proceeded on leave during the month of July 2023 and subsequently resigned effective November 13, 2023. The Board of Directors appointed Mr. Robert Almeida, Director, as Interim Group Chief Executive Officer effective July 24, 2023.

Role of the Lead Independent Director

The Jamaica Corporate Governance Code 2021 and The Trinidad and Tobago Corporate Governance Code 2013 recommend that where a Chairman is not an Independent Non-Executive Director, the Board should appoint a Lead Independent Director.

The responsibilities of Professor the Hon. Alvin Wint, O.J., C.D., as Lead Independent Director, include providing a sounding board for the Chairman and chairing meetings of the Board where the Chairman is absent; chairing meetings of 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 is 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.

CONTINUED Corporate Governance Statement


Independence

Clause 2.4.1 of our Board Charter requires that the number of independent directors be no less than one-third of the board membership.

One of the responsibilities of the Board is to identify, on an annual basis, which directors meet the criteria for independence on an annual basis. The activities in relation to the annual review of independence have been delegated to the Corporate Governance and Nomination Committee. Independent directors are not expected to serve on the boards of competing companies.

To assess whether a Director may continue to be considered independent, each Director is

required to submit an annual declaration of his or her interests and potential areas of conflict, which may adversely affect the Director's ability to effectively carry out his or her role and fulfil his or her duties to the Company. Every quarter, each Director confirms his or her connected parties. Additionally, Directors are required to notify the Board of any changes in status which will affect their independence, and once so notified, the Board will give consideration to how this may affect its functioning.

<p>50% of the Directors were deemed to be independent, as at September 30, 2023</p> 
▶ Professor the Hon. Alvin Wint, O.J., C.D. (Lead Independent Director)
▶ Sandra A. C. Glasgow
▶ Thalia Lyn, O.D, J.P.
▶ 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 are able to provide an independent perspective on Board deliberations;
▶ To assess the extent of their independence from the controlling shareholder and from 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.
▶ 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 as needed on the outcome of each meeting at the next regular Board meeting, orally or in writing. If an oral report is given, any material feedback is captured in the Minutes. Action items are identified and carried out accordingly.

Meetings of the Independent Directors should occur at least twice per year and generally take place after a meeting of the Corporate Governance & Nomination Committee, which comprises independent directors only. 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 to their individual 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. Managers and representatives who can provide additional insight into the items being discussed are invited to Board meetings.

Board Appointment And Renewal Process

The Board recognises that it derives its strength from the diversity, independence, skills and expertise of its members. It has delegated the development of a board succession plan, as well as 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 factors. The Board will then consider and, if thought fit, approve the appointment subject to any regulatory approvals and/or non-objections.

Under the Articles of Incorporation of NCBFG, any Director appointed either to 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, ongoing discussions took place in relation to the identification of additional directors and the Board approved the appointment of additional directors, subject to the non-objection of the regulators. The nomination procedure is contained in the Appendix of the Corporate Governance and Nomination Committee Charter, which is available on the NCBFG website.

CONTINUED Corporate Governance Statement

Director Induction And Continuing Development

Induction

There were no board appointments during this financial year; however, our process requires newly appointed Directors to participate in a comprehensive induction programme, which was refreshed this year. The programme commences with the issuance of an appointment letter along with other relevant documentation (or access to them). It involves meetings with other members of the Board, Committee Chairs, Executive Management, Heads of Group functions, Heads of major subsidiaries as well as the Group’s Internal and Independent Auditors. The programme is tailored based on experience and background of the individual. During the induction, new directors are encouraged to identify areas for which they would like additional information, further meetings or training, which are then arranged by the Corporate Secretary.

On completion of the induction programme, all new Directors 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 as well as 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 such as 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 deemed 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 financial year 2023, the following interactive training sessions were held; director participation was in excess of 85%:		
Training Session	Topic	Presenter
Anti-Money Laundering / Counter-Financing of Terrorism/ Proliferation Financing	The Evolution of Money Laundering and the fight against bad actors	Representatives from Group Compliance Unit, NCB
Information Technology/ Cyber Security	Security Awareness: Refresher and practice response to complex cybersecurity incidents (Tabletop exercise format)	Brad Curtis & John Horner, Mandiant Consulting
Basel III	Introduction to Basel III: Impact of Regulatory Change in Jamaica	Representatives from Pricewaterhouse Coopers Tax and Advisory Services Limited
Corporate Governance	Board Cybersecurity: how best-in-class boards engage with cybersecurity & what effective cybersecurity looks like	Representatives from a prominent global consulting firm.

In addition to the above training sessions, the Directors of NCBFG were provided with a variety of thought leadership articles during the financial year.

NCBFG also holds corporate membership in the National Association of Corporate Directors (NACD) based in the United States of America, which is extended to all those Directors who have an

interest. Through membership, Directors have access to director certification programmes, conferences, online resources and educational programmes. During the financial year, two Directors attended an NACD Summit.

The Focus Of The Board

During the year, the Board of NCBFG continued its focus on group and subsidiary governance. Some of the key activities undertaken included:

Area of Focus	Matters Considered/Activities Undertaken
<p>Group and subsidiary governance</p>	<ul style="list-style-type: none"> ▶ Proposal for business undertakings by subsidiaries. ▶ Hosting meetings of Committee Chairs by the Chairs of the respective NCBFG Committees, with the primary objective of sharing best practices to ensure consistency in the application of Charter responsibilities across the Group. ▶ Activities of Subsidiaries through reports and escalation of Minutes. ▶ Approval of policies including Internal Data Protection Policy and Group Data Subject Rights Policy. Approval of revisions to existing policies including the Code of Conduct for Directors, Board and Corporate Governance & Nomination Committee Charters, Fraud Investigation & Reporting Policy, Automatic Information Exchange Policy, Regulatory & Financial Crimes Policy and the Group Risk Appetite Statement. ▶ Appointment of a Data Protection Officer ▶ Leadership changes within the Group at the Board and executive levels.
<p>Strategic issues and planning</p>	<p>Receiving management updates on NCBFG’s transformation programme, Accelerate, as well as holding discussions and/or deliberations regarding other business transformation initiatives.</p>
<p>Financial performance: Review of financial statements, financing and borrowing activities</p>	<ul style="list-style-type: none"> ▶ Review and approval of financial statements and stock exchange releases, draft audited financial statements, annual budget, and borrowing activities of NCBFG. ▶ Introduction of presentations by Heads of Sub-Groups in instances of adverse variances in financial performance compared to budget.

CONTINUED Corporate Governance Statement

The Focus Of The Board (Continued)

Area of Focus	Matters Considered/Activities Undertaken
Board Effectiveness	<ul style="list-style-type: none"> ▶ Recruitment of new Directors. ▶ Participation in and reviewing results of externally facilitated board effectiveness surveys and peer evaluations as well as review of action plans to improve results or address areas of opportunity, where applicable.
Risk	<ul style="list-style-type: none"> ▶ Review of risk appetite, as well as principal and emerging risks. ▶ Consideration of proposals involving intragroup exposure. ▶ Receive presentations at each Committee Meeting from the Heads of Risk for NCBJ, GHJ and Clarien thereby allowing for interrogation. ▶ Review of credit facilities where applicable. ▶ Review of reports on the AML/CFT compliance function ▶ Review of trading activity reports by Directors & Executives to ensure compliance with relevant requirements.

Remuneration of Directors

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 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 which is 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 was adjusted effective October 1, 2022, and comprises:

- ▶ A retainer for the Chairman of \$5,333,333 per annum (not actually paid) and a retainer for other Board members of \$2,250,005 per annum.
- ▶ Directors who chair the Audit and the Group Risk Committees receive instead a retainer of \$3,550,000 per annum while the Corporate Governance and Nomination Chair receives \$3,000,000 per annum. The Lead Independent Director, however, receives a retainer of \$4,000,000 per annum.
- ▶ A fee payable to directors of \$150,000 per Board meeting and \$100,000 for each Committee meeting attended.

Fees paid for the Financial Year 2023 are set out below:

Director	Q/E December 2022	Q/E March 2023	Q/E June 2023	Q/E September 2023	Total
Sandra Glasgow	1,649,999.99	1,737,500.00	1,987,500.00	2,237,500.00	7,612,499.99
Sanya Goffe	1,262,501.25	1,500,000.00	1,750,000.00	2,100,000.00	6,612,501.25
Thalia Lyn, O.D., J.P.	862,501.25	1,112,501.25	1,262,501.25	1,712,501.00	4,950,004.75
Prof. the Hon. Alvin Wint, O.J., C.D.	1,900,000.00	1,850,000.00	2,100,000.00	2,350,000.00	8,200,000.00

Board Committees

To assist in exercising its responsibilities, the Board has established four standing committees, three of which are chaired by Independent Non-Executive Directors:

▶	Audit Committee	Chaired by Professor the Hon. A. Wint, O.J., C.D., Lead Independent Director
▶	Corporate Governance & Nomination Committee	Chaired by Mrs Sanya Goffe, Independent Director
▶	Group Risk Committee	Chaired by Mrs Sandra Glasgow, Independent Director
▶	Talent Management & Compensation Committee	Chaired by Hon. Michael Lee-Chin, O.J., Board Chairman



Each committee is guided by a board-approved charter, which may be viewed at <https://www.myncb.com/corporategovernance>.

Corporate Governance Statement

CONTINUED

Audit Committee

The Audit Committee solely comprises independent directors.

▶	Professor the Hon. Alvin Wint, O.J., C.D. (Chair)
▶	Sandra Glasgow
▶	Sanya Goffe

Its purpose is to assist the Board of Directors in fulfilling its 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), members of the Internal Audit team and management representatives are also invited to attend the meetings.

The Committee met five times during the financial year and PwC’s engagement partner along with senior representatives were in attendance at all four regularly scheduled meetings (a special meeting was held to review the previous year’s report). The Audit Committee executed its responsibilities under its Charter during the year. Some of the activities included:

- ▶ Review of quarterly unaudited financial statements and Stock Exchange releases, with the External Auditor present, and recommending approval of their release by the Board, giving due consideration to whether they were complete and consistent with the information known to Committee members.
- ▶ Review of the External Auditor’s proposed audit strategy, scope and fees for the audit of the year-end financial statements as well as communications issued by them (e.g., those required under ISA 260 and internal control memorandum – general and information technology).
- ▶ Evaluation of the services provided by the External Auditor.
- ▶ Review and approval of the Internal Audit Plan and Operating Budget.
- ▶ Review of reports from the Group Internal Audit Division and tracking the resolution of exceptions identified in audits conducted.
- ▶ Separate private sessions with the External Auditor and the Group Chief Audit Executive.
- ▶ Review of relevant related party transactions to ensure they were in compliance with the policy on related party transactions.

- ▶ Submission of a quarterly report to the Board, in writing, from the Audit Committee Chairman on matters reviewed and discussed by the Committee.
- ▶ 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.
- ▶ The pre-approval of non-audit service engagement by the Company’s External Auditors.

The annual meeting of Audit Committee Chairs took place once again this year chaired by Professor the Hon Wint. In attendance were the Group Chief Audit Executive, the Audit Committee Chairs of Guardian Holdings Limited and Clarien Bank Limited along with respective Heads of their Internal Audit and Corporate Secretaries. The meetings continue to be fruitful with fulsome discussions taking place regarding the “Audit Committee Practices Report”, a collaborative effort between Deloitte’s Centre for Board Effectiveness and Centre for Audit Quality, as well as succession planning for Committee Chairs.

Corporate Governance & Nomination Committee

The Corporate Governance & Nomination Committee solely comprises independent directors and saw a change in Committee Chair from Sandra Glasgow to Sanya Goffe during the financial year:

▶	Sanya Goffe (Chair)
▶	Sandra Glasgow
▶	Thalia Lyn, O.D., J.P
▶	Professor the Hon. Alvin Wint, O.J., C.D.

The purpose of the Corporate Governance & Nomination Committee is to assist the Board of NCBFG in ensuring that its 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.

During the financial year, the Committee held three meetings and undertook the following activities:

- ▶ Reviewed the policy framework of NCBFG in order to ensure that policies remain up-to-date.
- ▶ Reviewed and recommended key corporate governance policies and charters for board approval - Corporate Governance & Nomination Committee Charter, Board Charter, Code of Conduct for Directors, Complaints Standard Operating Guidelines, Media and Communications Policy and Public Digital Media Policy.
- ▶ Reviewed the results of the externally facilitated Board Effectiveness Survey, determining possible actions to be taken in order to address areas of opportunity and tracking of those actions.
- ▶ Reviewed the criteria utilised for independence within policies and charters to determine its adequacy and continued relevance as well as the independent status of existing Directors.
- ▶ Reviewed the Jamaica Stock Exchange Corporate Governance Index Gap Analysis and proposed an action plan to address gaps.
- ▶ Reviewed the Board's skills matrix and identified gaps to be filled.

- ▶ Interviewed board candidates and made recommendations to the Board.

The meeting of the Group's Corporate Governance Chairs was hosted by Mrs Sanya Goffe, Committee Chair, with invitations extended to the Corporate Governance Chairs and Corporate Secretaries of Guardian Holdings Limited and Clarien Bank Limited. Topics discussed included succession planning, suggested topics for training and how the Committees could better collaborate generally.

Corporate Governance Statement

CONTINUED

Group Risk Committee

As at September 30, 2023, the Group Risk Committee comprised:

▶	Sandra Glasgow (Chair)
▶	Professor the Hon. Alvin Wint, O.J., C.D.
▶	Robert Almeida
▶	Dennis Cohen
▶	Hon Patrick Hylton, O.J., C.D
▶	Sanya Goffe

During the financial year, Prof the Hon Wint stepped down as Committee Chair and Mrs Glasgow assumed the role.

The purpose of the Group Risk Committee is to assist the Board in fulfilling its responsibility with respect to oversight of the Group’s risk management framework including the risk appetite, policies and major procedures related to managing credit, market, liquidity, capital, operations, regulatory compliance, anti-money laundering, counter-financing of terrorism and certain other risks as determined from time to time. The Committee is responsible for evaluating the adequacy of the risk management function and also plays a role in the decision-making process around significant risks to be undertaken by the Group.

The Group Risk Committee held five meetings during the financial year, four of which were regularly scheduled where the Heads of Risk for each of three major sub-groups - NCBFG and its wholly-owned subsidiaries, Clarien and GHJ, presented reports to the Committee which allowed for direct interrogation. Areas of focus included Regulatory & Financial Crimes Compliance, Insurance, Credit, Operational, Market & Liquidity, Capital adequacy/solvency, Intercompany balances, Litigation, cross-border and Emerging Risks. Managers with responsibility for areas such as regulatory and financial crimes compliance, fraud prevention and information technology were also

invited to join the meetings to provide committee members with additional insight. In addition, the Committee considered proposed revisions to the Group Risk Appetite Statement, Fraud Reporting and Investigation Policy, Data Protection Policies, Reputational Risk Policy, Business Continuity Policy, Outsourcing Policy and Model Risk Policy, recommending them for Board approval. Additionally, the Committee has included as part of its on-going monitoring steps being taken to ensure NCBFG’s compliance with the Data Protection Act within statutory timelines.

EXPOSURE TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

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 consideration is given within the NCB Sub-Group to financing development projects from a risk perspective, evidence of approval/non-objection from the relevant environmental agency is a pre-requisite. In addition, emerging risks are considered at Group Risk Committee meetings.

During the financial year, we commenced the journey of developing an ESG strategy with the support of our partners, Pricewaterhouse Coopers Tax & Advisory Services Limited (PwC). Following communication with various stakeholder groups, we conducted surveys and interviews with a wide stakeholder group, including representatives from our employees, customers, vendors, business partners and others who may have sophisticated knowledge of ESG topics and implications. We are currently in another phase of the journey and look forward to sharing our Commitment Statement and Sustainability Policy along with the other initiatives in the 2023/2024 financial year.

The Talent Management & Compensation Committee

During the year, the members of the Committee were as follows:

▶	Hon. Michael Lee-Chin, O.J. (Chair)
▶	Hon. Patrick Hylton, O.J., C.D.
▶	Professor the Hon. Alvin Wint, O.J., C.D.
▶	Sandra Glasgow

The purpose of the Talent Management and Compensation Committee is to support Board 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 senior officers in the Group and general human resource issues.**
- ▶ **Recruitment and retention of talent.**





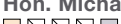



The Committee met three times during the financial year and the activities undertaken included a review of policies, with revisions being recommended for approval by the Board (the Remuneration Policy for Executives and Senior Managers, Code of Business Conduct and Education Loan Policy) as well as a review of proposals for compensation of Executives, Senior Management and Executive Assistants.

CONTINUED Corporate Governance Statement

Meetings and Attendance at Board and Committee meetings

Meetings and training sessions have continued to be held virtually with Directors 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. The attendance record of our NCBFG Directors is reflected below:

Name of Director	Board Meetings	Audit	Corporate Governance & Nomination Committee	Group Risk Committee	Talent Management & Compensation Committee
Robert Almeida 	16 / 16	N / A	N / A	5 / 5	N / A
Dennis Cohen* 	11 / 11	N / A	N / A	4 / 4	N / A
Sandra Glasgow 	16 / 16	6 / 6	3 / 3	5 / 5	3 / 3
Hon. Patrick Hylton, O.J., C.D.* 	11 / 11	N / A	N / A	4 / 4	3 / 3
Hon. Michael Lee-Chin, O.J. [^] 	14 / 15	N / A	N / A	N / A	3 / 3
Sanya Goffe 	16 / 16	6 / 6	3 / 3	5 / 5	N / A
Thalia Lyn, O.D., J.P. 	16 / 16	N / A	3 / 3	N / A	N / A
Prof. the Hon. Alvin Wint, O.J., C.D. 	16 / 16	6 / 6	3 / 3	3 / 3	3 / 3
	Attended / Held	Attended / Held	Attended / Held	Attended / Held	Attended / Held

[^] Took a leave of absence during the period, May-July 16, 2023

* Proceeded on leave effective July 17, 2023

Board & Committee Evaluation

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

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 external parties.

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 prominent global consulting firm. This year the survey was again complemented by interviews with Directors.

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

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 Jamaica Stock Exchange (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 information released to the JSE and TTSE on its website.

Corporate Governance Statement

CONTINUED

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

Shareholders	<p>The annual general meeting (AGM) and quarterly investor briefings are standing calendar events and represent opportunities for shareholders to ask questions or raise questions with the leadership of NCBFG. Hosting the AGM in a hybrid format allows for greater participation by shareholders across the globe via the meeting platform. The AGM and investor briefings are live-streamed with a sign language interpreter present online.</p>
Employees	<p>The safety and wellbeing of our employees remained a priority. Our employees were kept up to date on the performance of the business as well as given the opportunity to interact with Executives via frequently held webinars and virtual town hall meetings.</p>
Communities	<p>The Board continues to be fully supportive of the important work being carried out by the three Foundations and companies within the Group aimed at improving the lives of the people living in the local communities where we operate. Additional information on activities relating to corporate social responsibility can be found on pages 115-118</p>
Customers	<p>The Board regularly receives operational updates on the overall customer experience and organisational health. The focus on engaging customers through digital channels continued during this financial year.</p>
Regulators and the Government	<p>The Board, Senior Management and other key personnel continue to engage Regulators and/or Government on issues critical to good governance as well as any other issues they may deem important.</p>
Suppliers & Business Partners	<p>The Board recognises that our suppliers and business partners are critical to the success of our digital transformation journey. The Board supports collaboration for business continuity as well as the continued improvement of operational performance through technology and various other means. The ethics stance of NCBFG is set out in certain policies, like the Anti-Bribery & Corruption Policy, which is also applicable to this segment.</p>



Making 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 Group Investor Relations & Financial Advisory Unit of NCB and JCSD (our Registrar) and is set out 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@jncb.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 other key policies, which further illustrate our guiding philosophy as a business.

These policies, charters and policy statements are all available on the Company's website and/or the Intranet. There is a requirement for annual declaration by staff confirming that some of these policies have been read, understood and are being and are being followed, and Directors must annually sign the Directors' Code of Conduct. Additional details may be found under Policies and Practices on page 47-50.

Awards & Recognition

The details of recent awards obtained by NCBFG are on page 45-46.

In addition, the Jamaica Stock Exchange (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 Private Sector Organisation of Jamaica (PSOJ), but also cover legal and regulatory requirements as embodied in the Rules of the JSE, the Companies Act and the Securities Act. A rating of "AA" means "The Company's performance was excellent in terms of the various principles of corporate governance as documented in the JSE's Corporate Governance Index".

Sanya Goffe

Chair
Corporate Governance &
Nomination Committee