

PORTLAND JSX LIMITED
Castries, St. Lucia

CORPORATE GOVERNANCE POLICY
APRIL 2018

TABLE OF CONTENTS

1.	Statement on Corporate Governance.....	2
2.	Purpose of Guideline.....	2
3.	Definition of Key Terms.....	2-3
4.	Governance Guidelines.....	3-7
	a. Functions of the Board — Responsibilities	
	b. Composition of the Board	
	c. Meetings of the Board	
	d. Meetings Procedures	
	e. Disclosure of Interest	
	f. Remuneration of Directors	
	g. Board Evaluation	
	h. Directors Continuing Education	
	i. Board Access to Management and Independent Advisors	
5.	Board Committees.....	7
6.	Role and Function of the Chairman.....	7-9
7.	Role and Function of the Chief Executive Officer.....	9-10
8.	Role and Function of Senior Management.....	10
9.	Role and Function of the Company Secretary.....	10-11
10.	Dealing in the Company’s Shares.....	12
11.	Public Disclosure.....	12

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Portland JSX Limited (PJX) and its subcommittees are aware that the primary responsibility of the Directors is to provide effective governance over the Company's affairs for the benefit of its shareholders, employees, customers and other stakeholders. Effective governance therefore requires the relationship among the Board, Senior Management, shareholders, regulators and other stakeholders to be transparent, fair and well balanced.

The purpose of corporate governance is to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the Company.

PURPOSE OF POLICY

The Board and its subcommittees have adopted this Policy which includes the following governance guidelines to assist in the exercise of their responsibilities. The Policy shall be reviewed periodically and revised as appropriate to reflect the evolving functions of the Board and developing trends of best practice and regulatory compliance in corporate governance. It is not intended that this Policy will modify or constitute an interpretation of the Company's Articles of Association (Articles) or any law or regulation.

DEFINITION OF KEY TERMS

For the purpose of this Policy:

“Chief Executive Officer” is the principal officer who performs the policy-making functions for the Company. This role is delegated to Portland Private Equity II, Ltd.

“Senior Management” is Portland Private Equity II, Ltd, a team of individuals who carry out the day-to-day responsibilities of managing the Company's operations. Like the Board, they have strict fiduciary responsibilities and consequently are required to keep the Board informed on an ongoing basis through timely and efficient reporting.

“Executive Director” is a Director who is part of the current management team of the Company.'

“Non-Executive Director” is a Director who is not part of the current management of the Company.

“Independent Director” is a Non-Executive Director who in the determination of the Board has no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company.

“Board” comprises both the Executive, Non-Executive and Independent Directors and has collective responsibility for strategic management and oversight of the Company. The Board serves as the focal point for corporate governance, and it has a fiduciary responsibility to act honestly and in good faith in the best interest of the Company as a whole as well as in the interest of its stakeholders (including employees).

“Connected Persons” are the Director’s/senior manager’s husband or wife; the Director’s/senior manager’s minor children (these include step-children and adopted children) and dependents, and their spouses; bodies corporate of which the Director/senior manager and/or persons connected with him together have control. Control is the holding of shares which carry 50% or more of the voting rights in the Company.

“Board Committee” comprises Directors who are named by the Board. A Board Committee, in the exercise of the powers delegated to it, must conform to any regulations that may be imposed on it by the Board.

GOVERNANCE GUIDELINES

A. Functions of the Board — Responsibilities

The role of the Board is to provide entrepreneurial leadership within a framework of prudent and effective controls to enable the assessment and management of risk. Effective leadership requires each Director to exercise care, diligence and skill that a reasonable and prudent person would exercise in conducting the business of the Company and to act in good faith in the best interest of the Company and its stakeholders (including employees). Board members should demonstrate independent thinking and sound judgment to ensure that no one Director or block of Directors dominates the Board’s decision-making. Active participation by all Directors at regularly held meetings is encouraged.

As part of its responsibilities, the Board should ensure the:

- Evaluation of the performance of the Chief Executive Officer (“CEO”) and the taking of appropriate action, including removal, when warranted;
- Selection, evaluation and fixing of the compensation of senior management and establishing policies regarding compensation of other management personnel;
- Review of succession plans and management development programmes for senior management;
- Review and periodically approve the long-term strategic and business plans and monitoring corporate performance against such plans;
- Review the major risks facing the Company and overseeing strategies to address these risks;

- Adopt policies of corporate conduct, including compliance with applicable laws, rules and regulations, maintenance of accounting, financial and other controls, and reviewing the adequacy of compliance systems and controls;
- Evaluate the overall effectiveness of the Board and its committees and the individual directors on a periodic basis; and
- Adopt and implement best practices of corporate governance in full conformity with the letter and spirit of all applicable laws, rules and regulations.

The Board should understand the principal risks associated with the Company's business on an ongoing basis and it is the responsibility of management to assure that the Board and its committees are kept well informed of these changing risks on a timely basis. It is important that the Board oversee the key risk decisions of management, which includes comprehending the appropriate balance between risks and rewards.

The Board reserves oversight of the major risks facing the Company and has delegated risk oversight responsibility to the appropriate committees in the following areas: the Audit Committee oversees risks relating to financial matters, financial reporting and auditing and the Compensation Committee oversees risks relating to the design and implementation of the Company's compensation policies and procedures.

B. Composition of the Board

Pursuant to the Company's Articles of Association, the Board of Directors shall comprise a minimum of one and a maximum of ten. The current Board comprises five Directors, three of whom are Non-Executive Independent Directors. The criteria for selection are for selected candidates to possess the highest level of professional ethics, integrity and value; the ability to participate at meetings and decision-making; exercise good time management and having a high level of expertise in their known profession.

C. Meetings of the Board

The Board meets quarterly in each year and shall meet at such other times as may be necessary or expedient for the transaction of business. The quorum for meetings is all Directors present in person or by other means.

D. Disclosure of Interest

A Director who is directly or indirectly interested in a contract made or proposed to be made must disclose the nature of his interest at a meeting of the Board and he or she shall not take part in the deliberation or decision in respect of such contract.

Each director has a statutory duty, a fiduciary duty and an implied duty of loyalty to the Company and to its shareholders to avoid actual or potential conflicts of interests, as well as the duty to act in good faith in the performance of his or her duties as a PJX Director. If an actual or potential conflict of interest develops, whether because of a change in the business operations of the Company, or in a Director's circumstances, or otherwise, the Director should report the matter immediately to the Board for evaluation. A significant and potentially ongoing conflict must be resolved or the Director should resign.

On at least an annual basis, each Director shall present to the Board a declaration of interests, setting forth his or her business affiliations with third parties, which shall include, without limitation, any relationship between the Directors and any entities (other than the Company) with which any other directors and/or officers are affiliated, as a potential or actual conflict of interest could arise in such situations.

E. Remuneration of Directors

The remuneration paid to the members of the Board shall reflect the time, commitment and responsibilities involved and such remuneration shall be disclosed in the Company's Annual Report. The Company's management or third party consultants with expertise on director compensation shall periodically report the compensation practices in relation to other companies (competitors) of comparable size. Changes in remuneration shall be implemented upon the recommendation of the Compensation Committee, subject to full discussion and approval by the Board.

F. Board Evaluation

The Board shall develop a process whereby it will annually review Board and Committee performance, including the conduct of Board and Committee meetings, to provide input on means of improving the effectiveness of the Board and its Committees. A process should also be developed whereby each of the Directors will periodically review performance of the other Directors to provide input on director performance and to facilitate future director nominations.

G. Director Continuing Education

PJX Directors are encouraged to participate in continuing education programmes to increase their knowledge of corporate governance and enhance their effectiveness on the Company's Board. The Company shall reimburse all reasonable and customary expenses incurred for this purpose subject pre-clearance by Board.

H. Board Access to Management and Independent Advisors

Directors shall have open access to senior management and independent advisors, such as attorneys or auditors. The Board encourages senior management to bring managers into Board or committee meetings and other scheduled events who (a) can provide additional insight into matters being considered or (b) represent managers with future potential whom senior management believe should be given exposure to the members of the Board.

In discharging his or her responsibilities, a Director is entitled to rely in good faith and in his or her independent judgment and to a reasonable degree on reports or other information provided by the Company's management, independent auditors, and other persons as to matters the Director reasonably believes to be within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

BOARD COMMITTEES

Board Committees are established to undertake specific functions and to make recommendations to the Board. There are currently two Board Committees - Audit and Compensation, as well as a Shareholder Advisory Committee. Each of these Committees has its own terms of reference which, inter alia, enables it to understand the limit of its powers and duties. The Board should determine the Committees that need to be established and to which it should delegate specific functions. Directors are expected to participate actively in the meetings of each Committee to which he or she is appointed.

Each Committee's charter shall be periodically reviewed by the Committee and the Board and revised as may be deemed appropriate. Any Board committee may establish such sub-committees as it deems appropriate. The Board may also establish such other standing or special committees as it deem appropriate.

ROLE AND FUNCTION OF THE CHAIRMAN

Pursuant to the Company's Articles, the Chairman of the Board presides over meetings of the Board and shareholders and is responsible for coordinating the overall management and functioning of the Board.

The core responsibilities of the Chairman shall be as follows:

- a) Develop an appropriate schedule of Board meetings, seeking to ensure that the independent directors can perform their duties responsibly while not interfering with ongoing Company operations;

- b) Review in advance the Board meeting agendas as prepared by the Secretary;
- c) Review in advance the meeting schedules for the Board Committees;
- d) Develop standards as to the quality, quantity and timeliness of the information submitted to the Board by the Company's management that is necessary or appropriate for the Independent Directors to effectively and responsibly perform their duties;
- e) Ensure that Independent Directors have adequate opportunities to discuss issues without management present;
- f) Serve as principal liaison between the Independent Directors and the CEO in respect of Board issues;
- g) Participate in recommendations regarding succession planning for the Chairman of the Board, recruitment of new directors and management succession planning;
- h) Participate in meetings of the Compensation Committee in establishing performance goals and assessments of the CEO in meeting agreed-upon targets and overseeing succession plans for key senior management roles;
- i) Conduct one-on-one peer reviews to coincide with the annual formal survey of board effectiveness and performance;
- j) Oversee the establishment of processes to assess assurances provided to the Board by senior management, and facilitate effective communication between Directors and management in conjunction with the CEO;
- k) Meet with representatives of the Company's regulators and represent the Company at social, fundraising or industry association gatherings, upon request; and
- l) Lead in shareholder outreach initiatives on behalf of the Board.

Although the Chairman of the Board shall establish the agenda of each Board meeting, all other Board members are encouraged to suggest items for inclusion on the agenda. Each director is free to raise subjects that are not on the meeting agenda under any other business.

In advance of each regular Board or committee meeting, an agenda will be distributed to each Director by the Company Secretary or Assistant Secretary. The committee materials shall be distributed to all Directors, regardless of committee membership.

As respect special meetings of the Board or Committees, notice, an agenda and background materials shall be distributed to all Directors. The agenda may be submitted in electronic form. To the extent feasible or appropriate, information and data important to the Directors' understanding of the matters to be considered, including background summaries of presentations to be made at Board or Committee meetings and proposed resolutions, will be distributed in advance of the meeting. Directors also shall routinely receive periodic financial

statements, earnings reports, press releases, analyst reports and other information designed to keep them informed of the material aspects of the Company's business, performance and prospects.

ROLE AND FUNCTION OF THE CHIEF EXECUTIVE OFFICER (CEO)

The CEO reports directly to the Chairman and to the Board. He is responsible for all senior management matters related to the operations of the Company.

All key functions delegated to the CEO will be performed by Portland Private Equity II Ltd in its capacity as Management Company retained by the corporation and approved by the BOD. Within this document reference to CEO pertains to Portland Private Equity II Ltd.

The primary responsibilities of the CEO is the running of the Company's operations; proposing and developing the strategies and overall objectives in close consultation with the Chairman and the Board; implementing the decisions of the Board and Board Committees.

Other responsibilities of the CEO include:

- Provide input to the Board's agenda from himself and other members of senior management.
- Maintain dialogue with the Chairman on the important and strategic issues facing the Company and proposing Board agendas to the Chairman which reflect these.
- Ensure that senior management gives appropriate priority to providing reports to the Board which contain accurate, timely and clear information.
- Ensure that the Chairman is alerted to forthcoming complex, contentious or sensitive issues affecting the Company of which he might not otherwise be aware.
- Ensure that senior management complies with the Board's approved procedures, including the schedule of matters reserved to the Board for its decision and each Committee's terms of reference.
- Provide information and advice on succession planning to the Chairman in respect of senior managers.
- Lead the communication programme with stakeholders.

- Promote and conduct the affairs of the Company with the highest standards of integrity, probity and good governance.
- Ensure that performance reviews are carried out at least once a year for each member of the senior management team.

ROLE AND FUNCTION OF SENIOR MANAGEMENT

The primary responsibility of senior management is to manage the day to day operations of the Company in accordance with the objectives and policies set by the Board. Senior management should also provide the Board with comprehensive, relevant, timely and accurate information through the CEO to facilitate informed decision-making by the Board.

As indicated with respect to the CEO, senior management duties will be performed by Portland Private Equity II Ltd in its capacity as Management Company retained by the corporation and approved by the BOD. Hereafter reference to senior management pertains to Portland Private Equity II Ltd.

Senior Management enhances Board effectiveness by providing recommendations for achieving the strategic direction of the Company and ensuring that the independent oversight functions (internal audit and risk management) have adequate resources to fulfil their mandates such that there is the capacity to present objective opinions and advice to the Board.

Senior Management is directly responsible for developing yearly operating plans and budgets, ensuring the integrity of the financial reporting system and the preparation of financial reports.

ROLE AND FUNCTION OF THE COMPANY SECRETARY

The primary role of the Company Secretary covers three main areas.

The Board

Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and non-executive directors, as well as facilitating induction and assisting with professional development as required. The Company Secretary should be responsible for advising the Board through the Chairman on all governance matters.

The Company Secretary should continually review developments in corporate governance; advise and assist the Directors with respect to their duties and responsibilities, in particular compliance with relevant laws and regulations. He

or she is also responsible for maintaining and recording disclosures by Directors of their interests in contracts.

The Company

The Company Secretary is vital to the efficiency and effectiveness of the Board and to the smooth running of the Company. To fulfil the role, the Company Secretary must not only keep up to date with relevant legal, statutory and regulatory requirements but also be able to give independent, impartial advice and support to Directors.

The Company Secretary should assist with the implementation of corporate strategies including helping to ensure that the Board's decisions and instructions are properly carried out and communicated; and be available to provide a central source of guidance and advice within the Company on matters of business ethics, good corporate governance and legal and regulatory compliance, for example with regard to share dealing by Directors and staff and the application of the Jamaica Stock Exchange Rules.

As an officer and agent of the Company, the Company Secretary owes fiduciary duties to the Company to act in good faith in the interests of the company; to avoid conflicts of interest; and not to make secret profits from dealings for or on behalf of the Company.

The Shareholders

To communicate with the shareholders as appropriate and to ensure that due regard is paid to their interests; act as a primary source of contact for institutional and other shareholders, especially with regard to matters of corporate governance. Monitor movements on the register of members.

Reporting Guidelines of the Company Secretary

1. The Company Secretary is responsible to the Board and should be accountable to the Board through the Chairman on all matters relating to corporate governance and his or her core duties as an officer of the Company.
2. If, in addition to the core duties mentioned above, the Company Secretary has other executive or administrative duties, he or she should report to the CEO or such other Director to whom responsibility has been delegated by the Board.

DEALING IN THE COMPANY'S SHARES

All proposed dealings in the Company's shares by any Director must be first notified in writing to the Chairman (or other Director appointed for that specific purpose), and within three (3) working days after the dealings has occurred, give notice in writing to the Company Secretary who is obliged to disclose such information promptly to the Jamaica Stock Exchange.

In the absence of the Chairman or the Company Secretary, the CEO has been appointed as the designated officer for receiving notifications in writing of proposed and actual dealings in the Company's shares. With respect to insider trading, the Policy against the beneficial use of non-public information (insider trading) applies to Directors, management and employees. The connected parties of these individuals are also included and all named persons must abide by the Company's [Securities Trading Policy and the Jamaica Stock Exchange Model Code for Securities Transactions](#). Directors and Senior Management are also required to comply with Section 51 of the Securities Act.

PUBLIC DISCLOSURE

This Policy, the Company's Code of Business Conduct & Ethics and the Board committee charters, and all revisions and amendments thereto, shall be posted on the Company's website. The Company's annual proxy statement will also include a statement to the effect that this information is available on the Company's website and in print to any person who requests it.

Approved by the Board of Directors of the Company at its meeting held on April 23, 2018.