



Corporate Governance

tTech is a Jamaican company providing world class IT services. This is accomplished by a combination of fostering an ethical work environment that allows team members to strive for excellence and personal growth; while being empowered to represent the company to provide an insanely good customer experience by consistently exceeding all customer expectations.

On January 7, 2016 tTech became the first Jamaican Information Technology company to be listed on the Junior Market of the Jamaica Stock Exchange. As a public listed company, we are committed to providing value to our shareholders, and are governed by a Board of Directors with extensive knowledge and experience in their respective fields.

The company is grounded in the belief that accountability to its stakeholders is a business imperative, and good governance practices that positively impact the company's performance and long-term viability are essential.

These practices guide our transparency and integrity practices that are applicable throughout the company. Additionally, good governance lends itself to good ethical principles which has created a culture of respect and compliance.

This Corporate Governance Statement outlines the key elements of the Company's corporate governance framework as of December 31st, 2020.

Structure of the Board and its Committees

Board Structure

The Board of Directors is committed to ensuring the effective governance of the company. As the body responsible for this, the board establishes broad policies and strategic objectives and ensures that sufficient resources are available to enable the company to meet these objectives. The Board Charter is available on the Company's website www.ttech.com.jm.

The board is chaired by Executive Director, Edward Alexander with Christopher Reckord as the CEO, and Gillian Murray as the Company Secretary.

The Board comprises four Non-Executive Directors and four Executive Directors. Mr. Richard Downer was also appointed Board Mentor in November 2015 and continues to serve in this position.

Independent Non-Executive Director Statement

The board identifies in its annual report each Non-Executive director it considers to be independent taking into account various facts including whether a director has been an employee of the company within five years; or, has had a direct or indirect material business relationship with the company or its officers; or has received remuneration, apart from a director's fee, from the company, or, its employees; or has close family ties with the company's advisers, directors or senior employees; or holds cross directorships or has links with other directors through involvement with other companies or bodies; or represents a significant shareholder; or has served on the board for more than nine years. Any exceptions would have to be justified by the board.

Based on these principles the Board has appointed the

following Independent Non-Executive Directors:-

- Joan-Marie Powell
- Tracy-Ann Spence
- Justin Morin

Induction of New Directors

New directors are formally inducted into the company which enables them to transition into Board meetings effortlessly. The induction period ensures an understanding of the company's strategies, financial position and operations. The Board Chairman meets with the new Director to inform them of the structure, rights, duties, responsibilities and roles of the Board and a Director. Additionally, they meet with the Chairs of the Board Committees and the management team, and are given a tour of the Company's office (if possible).

Board Meetings

The Board and Board Committees meet quarterly to discuss and review the performance of the company to ensure that the strategy and key objectives are being satisfactorily pursued by the management team. Other Board meetings are held in the year to review the company's long-term strategy along with the budget and operating plans for the upcoming year. The board takes into account the economic, social and regulatory environment and the risks that may exist in the markets in which the company operates.

The board also retains the right to call additional meetings if it deems them necessary.

tTech Limited Board of Directors' Meeting Attendance

January - December 2020

| Number of Boards & Committee Meetings | 7 | 6 | 4 | 4 | 1 |
|---------------------------------------|-------|-------|--------------|----------------------|------------------------|
| Names | Board | Audit | Remuneration | Corporate Governance | Annual General Meeting |
| Board of Directors | | | | | |
| Edward Alexander, Chairman | 7 | 6 | 4 | 4 | 1 |
| U. Philip Alexander ¹ | 7 | 6 | 4 | 4 | - |
| G. Christopher Reckord | 7 | 6 | 4 | 4 | 1 |
| Hugh Allen ² | 6 | n/a | 1 | n/a | 1 |
| Joan-Marie Powell | 7 | 6 | 4 | 4 | 1 |
| Norman Chen | 7 | 6 | 4 | 4 | 1 |
| Tracy Ann Spence | 5 | 6 | 4 | 4 | 1 |
| Justin Morin ³ | 5 | 3 | 2 | 1 | 1 |
| Richard Downer (Mentor) ¹ | 7 | 5 | 2 | 3 | - |

1- U. Phillip Alexander and Richard Downer did not attend the Annual General Meeting as they were unable to travel because of COVID-19.

2 - Hugh Allen was invited to attend the Remuneration Committee meetings at the July Board Meeting.

3 - Mr Justin Morin was appointed as an Independent Non Executive Director effective May 25, 2020

Board Committees

The Board has established an Audit Committee, a Remuneration Committee and a Corporate Governance Committee. Each committee has its own written charter which can be viewed on the Company's website www.ttech.com.jm. These committees are Chaired by Non-Executive Directors and made up primarily of the Non-Executive Members of the Board and have the right to co-opt members of the executive management team as is deemed necessary.

Audit Committee

The Audit Committee was formed in 2015 and its main functions are oversight of:

1. Financial reporting and compliance with legal and regulatory requirements.
2. Internal controls.
3. Risk management.
4. Internal and external audits.
5. Budgeting and forecasting.

During the year the committee focused on:

1. Assisting the management team with balancing the workload between the staff and adjusting responsibilities as required, especially within the context of the new Work from Home paradigm.
2. Oversight of the annual audit.
3. Understanding and getting explanations of the financial results and what it means operationally.
4. Ensuring that the financial reports were completed and checked in a timely manner.
5. Ensuring that all external reporting requirements were completed and filed on time.
6. Identified any additional monthly financial reports that are required from time to time and determine which formats are best suited for the company.

In 2021 the main focus will be on:

Producing a flash financial report (including revenues, operating income and bank/investment balances) by the end of the fifth working day after month end.

1. Moving to shorter cut-off times for monthly, quarterly and annual reporting, based on the best practice benchmarks for companies of our size and to meet all statutory requirements.
2. Working with operations to automate accounting processes as best as possible in an effort to improve efficiency.
3. Continuous training and support for the accounting team.

4. Working with our external auditors to have the final draft of the audited financial report at least 10 working days before the JSE deadline.
5. Identifying major risks to the company and ways of mitigating those risks.

The Chairman of the Audit Committee is Ms. Tracy-Ann Spence and comprises the other Non-Executive Directors. The Board Chairman, CEO, Finance and Administration Manager, Sales Manager (Acting) and Board Mentor are invitees to this committee.

External Auditor

Ernst and Young is the Company's external auditor, and the Lead Audit Partner was invited by the Chairman of the Audit Committee, to attend a meeting of the Committee to present the Company's audit findings and discuss the draft audited financial statements. The external auditors also attended the Annual General Meeting to make a presentation on the audited financial statements to shareholders and were available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Remuneration Committee

The Remuneration Committee was formed in 2016 and its main functions are:

1. Oversight of the company's compensation and benefits policies.
2. Oversee and set compensation for the company's Executive Officers, including its Executive Chairman, CEO and Non-Executive Directors.
3. Development of an incentive scheme for the senior executives.
4. Oversee the establishment of appropriate human resource strategies and policies.

During the year the committee focused on:

1. Employee Remote Work operational plans and strategies to facilitate high team engagement, safety and welfare of the team
2. Developing an Incentive Scheme for the Executive Officers.
 - Scheme was developed showing an alignment with approved performance targets.
3. Setting of Executive Salaries.
 - The executive salaries were set and approved by the board.
4. Advising on HR policies and procedures.
5. Employee retention, training and development

In 2021 the main focus will be on:

1. Development and implementation of policies including Health & Safety, Corporate Social Responsibility, Environmental and Social Media.
2. Continuous monitoring of the Occupational Health and Safety Act and the developments thereof.
3. Employee retention as a major focus will contain efforts to optimize our benefits to include employee recognition, and professional training and development.
4. Continue the process of executing on the succession plans developed in 2019 for all key positions.
5. Development plans highlighted at the performance appraisals will be executed.
6. Expand the Human Resource (HR) Department to include a full time HR Manager whose sole responsibility will be to manage the welfare of the staff for the successful running of the company.
7. Employee retention, which is an operational risk for companies operating in the technology industry, by continuing to implement measures, including training and adequate compensation, to help to mitigate the risk.

The Chairman of the Remuneration Committee is Ms. Joan-Marie Powell and comprises the other Non-Executive Directors. The Board Chairman, Executive Directors, Corporate Secretary, Technical Services Manager, Assistant HR Manager and Board Mentor are invitees to this committee.

Corporate Governance Committee

The Corporate Governance Committee was formed in 2017 and its main functions are:

1. Creation and review of governance policies.
2. Selection and recruitment of board members.
3. Board training and education.
4. Board performance and evaluation.

During the year the committee focused on:

1. Ensuring that the appropriate policies, procedures, and guidelines for the staff and/or customers were in place to manage the COVID-19 virus.
2. Review and support of the Whistleblowers Policy which can be found on the Company's website www.ttech.com.jm.
3. Review of the company's Jamaica Stock Exchange/PSOJ Corporate Governance profile
4. Training on the new Data Protection Act for the board and senior managers
5. Ensuring that the Code of Conduct and Conflict of Interest Certification for the Directors and Senior Management was done and reviewed.

6. Ensuring that the annual Board Performance and Evaluation was carried out.

In 2021 the main focus will be on:

1. Continuing Training and Education programs for the Board, Senior Managers and the Executives who attend Board and Committee meetings.
2. Improving the Corporate Governance profile.
3. Continuing to ensure that the appropriate policies and procedures to manage the COVID-19 virus are in place.
4. Oversight of the company's Data Protection Compliance Programme.
5. Overseeing the Whistleblower Policy.
6. Development of Policies to enhance the Governance of the company.
7. Board performance and evaluation.
8. Assisting with the Board Succession Planning and identification of possible candidates for appointment to the Board.

The Chairman of the Corporate Governance Committee is Mr. U. Philip Alexander and comprises the other Non-Executive Directors. The Board Chairman, CEO, Corporate Secretary and Board Mentor are invitees to this committee.

Responsibilities of the Board

The company has attracted a strong and experienced Board of Directors who review and approve key policies and make decisions in relation to:

- Corporate Governance
- Internal Controls
- Fiduciary Oversight
- Compliance with laws and regulations
- Strategy direction and operating plans
- Business development including major investments and divestitures
- Appointment or removal of Directors
- Remuneration of Directors
- Risk Management
- Financial reporting and Audit
- Financing
- Corporate Social Responsibility
- Ethics
- Environment
- Succession planning for the Directors and Senior Executives.

Responsibilities of the Chairman, Company Secretary and Directors

The Chairman's primary responsibilities are the effective operation of the Board and the dissemination of sufficient information to support decisions. He is also responsible for ensuring that new Directors are inducted into tTech and receive the necessary orientation.

The Company Secretary is responsible for ensuring that the Board's procedures are effectively followed and supports the

decision-making process and governance. All Directors have access to the Company Secretary for advice and services.

All Directors are expected to allot sufficient time to prepare for and attend meetings of the Board and its Committees. Regular attendance at Board and Committee meetings is required; in the absence of an agreement a Director should not miss two consecutive regular Board meetings. The leadership of the Company is accessible to the Directors via the Executive Chairman.

Directors Skills and Competencies

The Board has a strong mix of expertise, experience and leadership which aids good corporate governance and business practices.

| AREAS OF EXPERTISE | | | | | | | |
|----------------------------|----------|-----------------------|-----------------|------------|-----------|---------|-----------------------------|
| | Industry | Strategy & Leadership | Finance & Audit | Governance | Risk Mgmt | HR Mgmt | Acquisitions & Divestitures |
| Board of Directors | | | | | | | |
| Edward Alexander, Chairman | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| U. Philip Alexander | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| G. Christopher Reckord | ✓ | ✓ | | ✓ | | ✓ | |
| Hugh Allen | ✓ | | | ✓ | | ✓ | |
| Joan-Marie Powell | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Norman Chen | ✓ | | | ✓ | | ✓ | |
| Tracy-Ann Spence | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Justin Morin | ✓ | ✓ | ✓ | | ✓ | | ✓ |
| Richard Downer (Mentor) | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Performance Evaluation of the Board, Committees & Individual Directors

A system for the evaluation of the Board and Director's performance is in place. It evaluates the performance of the Board by the Directors as a whole, a Peer Review by the Directors of the other Directors, and a Self-Assessment by the Directors of their own performance. It is done annually, and a corrective action plan is developed for any areas of concern that are identified.

Board & Executive Compensation

The Non-Executive Directors compensation reflects their contribution, commitment and time taken to improve the Board's performance. It is also built on the premise of attracting and retaining Directors of high standards. This compensation is subject to annual reviews based on comparable conditions and evaluation of the effectiveness of the Board and its committees.

Non-Executive Directors Fees

| | Annual Fee (JMD) | Attending Committee Meetings (JMD) |
|-------------------------|------------------|------------------------------------|
| Non-Executive Directors | \$250,000 | \$15,000 per meeting |
| Board Chairman | \$100,000 | |
| Committee Chairman | \$50,000 | |

Non-Executive Directors fees are paid quarterly. Executive Directors are not paid fees.

Director's Training and Education

The Board has placed emphasis on Director's training and education and recognizes the importance of continuing this path. Some of our Directors have completed the following:

- The Jamaica Stock Exchange (JSE) Corporate Governance Index training
- The JSE/Private Sector Organization of Jamaica Corporate Governance training

In addition:

- All Directors and Senior Managers attended an internal presentation on the Data Protection Act and how it impacts tTech Ltd.

Succession Planning

An integral responsibility of the Board is succession planning for all Senior Executives and the Directors. This is done by identifying potential successors for each senior post and providing the necessary exposure for them to function in the business in case of an emergency.

Code of Conduct

The Company's Code of Conduct policy is governed primarily by our Vision and Mission. All Directors and Senior Managers complete annually an adherence to the Company's Code of Conduct policy certificate. Employees are also mandated to adhere to the Company's Code of Conduct policy and act ethically at all times.

Disclosure and Transparency

All Directors and Senior Managers are required to complete annually, a Disclosure of Interest Certificate which is reviewed by the Chairman.

The following policies can be found on our website www.ttech.com.jm.

- Code of Conduct policy
- Whistle Blower policy
- Dividend policy

Meetings

Schedule of meetings

During each financial year, there is a minimum of 4 regular Board and Committee meetings. These meetings are scheduled on a quarterly basis. Two other meetings are scheduled each year to focus on the company's long term strategy, operating plans and annual budget. Special Board or Committee meetings may also occur at times as required.

Agenda Items for Board Meetings

The Chairman, CEO and Company Secretary establish the agenda for each Board meeting. Each Board member has the option to suggest items for inclusion on the agenda. Information is distributed electronically and or in writing to the Directors before the Board meetings.

Invited Attendees

Additionally, the Board invites Senior Managers to join Board and Committee meetings who;

- (a) make presentations to the Board and Committees on their areas of responsibility.
- (b) can provide additional insight into items being discussed due to direct involvement, or
- (c) are managers that display attributes that the Executives believe should be given exposure to the Board as a part of their development.

Annual General Meeting (AGM)

The AGM provides the avenue for shareholders to hold the company accountable, provides transparency through the presentation of the company's audited accounts and gives the shareholders a voice to ask questions/raise issues. The AGM is also the forum for decisions; to finalize dividends paid within a year, appoint auditors and fix their remuneration and the re-election of Members of the Board. To view our AGM's in video format; go to our YouTube page tTech Limited or our website www.ttech.com.jm.

Shareholders Communication

The Annual Reports and Financial Statements are available on the Company and the Jamaica Stock Exchange website for download to ensure shareholders communication. The Annual Report is also available in hard copy at each Annual General Meeting in addition to being distributed to all shareholders in electronic format by the Jamaica Central Securities Depository.

Additionally, minutes of the Annual General Meetings held are available for download on the company's website www.ttech.com.jm.

Avenues for Shareholders Communication

We encourage each shareholder to share with us concerns and suggestions as we value your feedback and support. Communication can be done by email to the Company Secretary at company.secretary@ttech.com.jm or by writing directly to the Executive Chairman, Edward Alexander, at tTech Limited, 69 ½ Harbour Street, Kingston.