



CORPORATE GOVERNANCE GUIDELINES

INTRODUCTION

Dolla Financial Services Limited (herein called “the Company”) was formed in October 2009 under the Companies Act of Jamaica as a microfinance services provider of personal and business loans to Jamaicans. WE LEND is a part of our ultimate goal to providing progressive financial opportunities to those with the vision to succeed. The Company also operates its wholly owned subsidiary Dolla Guyana Inc., located in Georgetown, Guyana. The Company was listed on the Junior Market of the Jamaica Stock Exchange (JSE) in 2022 and as part of that listing the Company is required to abide and ensure compliance with the listing rules, specifically Rule 506 which outline Corporate Governance requirements for listed companies. Hence, the Board of the Company has incorporated a Corporate Governance Committee

The Company’s Corporate Governance guidelines provide a framework which guides the interaction between Shareholders, the Board of Directors (herein called “the Board”), Executive Management, Employees and other key Stakeholders. It is designed to engender the confidence of all stakeholders in the effective and transparent management of the Company’s affairs. Elements of the Private Sector Organization of Jamaica’s (PSOJ’s) Corporate Governance Code, the Rules of the JSE, the Minimum Expectation of Microcredit Institutions Corporate Governance Framework set by the Bank of Jamaica, International Best Practices, and requirements of applicable legislation are incorporated in this Corporate Governance Guideline.

1. BOARD OF DIRECTORS

Board Responsibility

The Board is elected by the shareholders to oversee their interest in the long-term health, general policy direction, oversight and the overall success of the business and its financial strength. The Board, through the Chairman, works closely with board sub-committees and management, to ensure the effectiveness of the Company’s operations and that shareholders’ value is maintained over the long term. The Board is committed to maintaining the highest level of transparency, accountability and integrity in all areas of the Company’s operations. The primary responsibilities of the Board include oversight for the Company, its subsidiary Dolla Guyana Inc., as well as any other subsidiaries so established. The Board’s general functions include, but are not limited to:

- Approving and monitoring strategic plans;
- Reviewing, and approving annual performance targets, annual budget, quarterly financial statements, and audited financial statements;
- Evaluating the Company’s performance against set financial targets;



- Monitoring the performance of the Chief Executive Officer and Senior Management relative to agreed performance metrics;
- Reviewing and monitoring risk management, adequacy of internal controls, compliance of management with the Codes of Conduct and regulatory compliance;
- Reviewing and approving company disclosures externally;
- Monitoring and approving acquisitions, capital management, major or significant capital expenditure and divestment;
- Overseeing subsidiary operations including compliance with licensing requirements in Jamaica, Guyana and any other jurisdiction so established.
- Selecting and appointing suitably qualified directors to the Board;
- Approving acquisitions and major capital expenditure

Where deemed necessary, the Board of Directors have access to independent professional advice at the Company's expense to effectively execute its functions and responsibilities. This includes but not limited to the appointment of attorney(s) to provide representation and advice.

On an annual basis, the Board sets financial and non-financial performance targets for the Company. The Board meets on a quarterly basis, or as required, to review the Company's financial performance against established targets, and to examine the strategic initiatives geared towards achieving the Company's objectives.

2. BOARD APPOINTMENT, ROTATION, COMPOSITION & ROLES

I. Appointment

The appointment of board members is governed by the Company's Articles of Incorporation. Directors are also appointed to fill any casual vacancy or as an addition to the Board.

II. Rotation, Retirement and Tenure

Subject to Articles 102 of the Company's Articles of Incorporation, unless otherwise determined at an Annual General Meeting, one-third (1/3) of the directors, except for the Managing Director, shall retire or, if their number is not three (3) or a multiple of three (3), the number nearest one-third (1/3), shall retire from office.

The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. However, retiring director shall be eligible for re-election.

The tenure of each director is three (3) years. A director may resign or retire at any time by providing the Chairman with a written notice of resignation.



III. Board Composition

Subject to Article 81 of the Company's Article of Incorporation, unless otherwise determined by a General Meeting the number of directors of the Company shall be not more than eight (8) in number. The Board should have an adequate balance of Independent, Non-Executive and Executive Directors.

The Independent Directors are those who provide the absence of undue influence and bias which can be affected by the intensity of relationship between the Company and the director and therefore act in the best interest of the Company and its shareholders generally. The criteria for Independent Directors are those who:

- Not be employed by the Company, its affiliates, or be a director of any of its affiliates.
- Not have or represents a shareholder with 20% or more of the voting rights of the Company.
- Not have any material business dealings with the Company, its Shareholders, Directors or any senior employee within the last three (3) years.
- Not have close family ties or immediate relatives with any of the Company's advisors, directors or senior management team or persons holds shares amounting to 20% or more of the voting rights of the Company.
- Not receive any additional remuneration from the Company, apart from Director's fees.
- Not have been paid or receive substantial amount or been a major shareholder of a company that has been paid or received from the Company a substantial amount of monetary benefit.
- Have not served on the Board for more than nine (9) years from date of first election.
- Not be a shareholder of another Microcredit Institution owning 20% or more of the voting rights of that company.
- Do not or have represented a shareholder owning more than 10% of the voting rights of the Company

The Non-Executive Directors of the Company are the directors who do not hold executive position. These directors are valued for their subject matter expertise and industry experience in effectively overseeing the Company. The criteria for Independent Directors are those who:

- Have integrity and high ethical standards
- Have sound and independent judgement on issues of strategy, performance, resources and standards of best business practice and conduct.
- Have the ability and willingness to probe
- Have strong interpersonal skills
- Should constructively challenge, help develop and approve proposals on strategy.

The Executive Director(s) of the Company are the directors who are employed to the Company and is normally responsible for aspects of the Company's day to day operations.



3. CHAIRMAN

The Chairman's primary function is to lead and guide the decision-making of the Board, provide management oversight and approve communication protocols with all stakeholders of the Company. He is the principal contact for the Chief Executive Officer, offering sage advice and counsel. The responsibilities of the Chairman shall include:

- To be provide leadership to the Board;
- Maintain and ensure a balance of powers between executive and non-executive directors;
- Secure effective participation of both executive and non-executive directors;
- Ensure the Board works effectively and discharges its responsibilities;
- Implement decisions or directions of authority;
- Ensure key issues are discussed by the Board in a timely manner;
- Not engage in activities involving direct supervision of senior management or any other day-to-day operational activities;
- Ensure appropriate steps are taken to maintain effective communication with shareholders and communicate the views of shareholders;

4. GROUP CHIEF EXECUTIVE OFFICER

The Group Chief Executive Officer (CEO) reports to the Board and is responsible for the overall management and performance of the Group. The Group CEO is expected to manage the Company in accordance with the strategy, plans, practices and policies approved by the Board. The responsibilities of the CEO shall include:

- Implementing business and risk strategies in order to achieve the strategic objectives;
- Establishing a management structure that promotes accountability and transparency throughout the Company's operations and preserves the effectiveness and independence of control functions;
- Promoting, in concert with the Board, a sound corporate culture within the Company, which reinforces ethical, prudent, and professional behavior;
- Assume day to day responsibility for the Company's conformance with relevant laws and regulations and its compliance framework;
- Achieve the performance targets set by the Board;
- Be alert to relevant trends in the financial services industry and the Company's operating environment;
- Provide sufficient and relevant information to the Board to enable the Board to effectively discharge its responsibilities;
- Manage the Company's human, physical and financial resources to achieve the Company's objectives;
- Providing leadership and acting as the Company's interface with its operating



environment and the general business and investment community;

- Such other responsibilities as delegated by the Board from time to time.

5. COMPANY SECRETARY

Subject to Article 125 of the Company's Article of Incorporation, the secretary shall be appointed by a majority of the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

The Company Secretary is appointed by the Board of Directors to undertake the administrative and corporate governance functions related to the Board and Annual General Meetings. The Company Secretary is charged with the following responsibilities:

- To ensure that the Board complies with its statutory obligations under the law and the Company's Articles of Incorporation;
- To organize and keep record of all Company meetings;
- To assist the Chairman of the Board in organizing the Boards activities;
- 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 on governance matters. Where the board has a dedicated corporate governance committee, or other committee with remit for governance matters, the company secretary should play a key role in guiding the committee on governance matters.
- To carry out any other duties as may be assigned by the Board from time to time.

6. BOARD SKILLS AND EXPERIENCE

With diverse functional expertise, educational qualification, independence, gender mix and combination of Independent Non-Executive and Non-Executive Directors, the Board is placed to bring care, diligence and skill in the exercise of its decision-making process for the best interest of the Company. Each member of the Board has held a senior managerial position in a organization.

The skills set of the Directors include without limitation:

- Strategy and Leadership
- Finance and Audit
- Governance and Compliance
- Mergers and Acquisitions
- Banking
- Risk Management
- Internal Controls



7. BOARD MEETINGS

Subject to Article 121, meetings of directors or of a committee of directors may be held wholly or partially by telephone and/or video and/or electronic or other conferencing system by virtue of which all participants are able to hear and speak to each other at the same time. A director who participates in a meeting in that manner, shall (notwithstanding being absent from the Island or otherwise remote from the venue of a meeting) be deemed present in person at the meeting and shall be counted in the quorum for and be entitled to vote at the meeting.

The Board of Directors meetings are held quarterly or with such frequency as the Board may decide.

Except in urgent cases, prior to Board or Committee meeting, Directors are entitled to receive information and materials that are important to their understanding of the business to be conducted **five (5) days** before the meeting in order to provide adequate time for review.

A record of Board submissions and papers, and of materials presented to the Board, shall be maintained and held by the Company Secretary together with minutes of meetings. All such records are accessible to Directors.

Subject to Article 113 of the Company's Articles of Incorporation, the quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be four (4) Directors.

8. BOARD COMMITTEES

The Board has constituted four (4) standing committees to which specific responsibilities have been delegated. The Chairman for each sub-committee is selected by the Board These Committees are:

1. Audit Committee
2. Compliance & Risk Management Committee
3. Remuneration Committee
4. Credit Committee

9. COMPENSATION FOR MEETING ATTENDANCE

The Board sets remuneration for attendance at meetings at competitive rates to attract and retain the Directors, taking into consideration all relevant internal and external factors.



10. ROUND ROBIN RESOLUTIONS

In the event that an urgent decision is required before the next scheduled meeting of the Board, a round robin may be circulated to all Directors. All Directors are required to approve the resolution.

Subject to Article 120 Of the Company's Articles of Incorporation, a resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the board of directors, or a meeting of a committee of the board of directors, shall be as valid and effectual as if it had been passed at a meeting of the board of directors, or a meeting of a committee of the board of directors, duly convened and held.

11. BOARD OF DIRECTORS CODE OF CONDUCT

The Board expects all Directors as well as officers and employees, to act ethically at all times and to adhere to all codes and policies specifically including "The Code of Ethics & Conduct Policy".

The Board of Directors of the Company will be guided by and should demonstrate the following values:

- Disclosure/transparency (*see JSE Junior Market rules governing disclosure and the Company's Corporate Governance Policy*)
- Confidentiality
- Respect
- Fairness
- Honest & Integrity
- Accountability
- Compliance
- Professionalism
- Active participation

12. CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS

All Directors are required to:

- Declare any interests that may give rise to potential or perceived conflict e.g. multiple directorships, business relationships or other circumstances that could interfere with exercise of objective judgment;
- Disclosure to be made by Directors of interest in contracts as stated in section 193 of the Companies Act and Article 94 of the Company's Articles of Incorporation.



13. DISCLOSURE AND COMMUNICATION WITH SHAREHOLDERS

The Board provides accurate and timely information on the operations of the company. The Annual General Meeting of Shareholders serves as a forum through which:

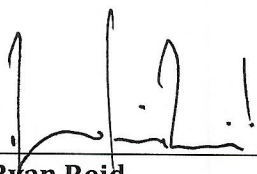
- Audited Accounts, Directors' Report and Auditor's Reports are approved and adopted respectively;
- Resolutions on dividend payments are approved;
- Directors are elected and re-elected; and
- External Auditors are appointed or re-appointed.

Shareholders are provided an opportunity during and after the Annual General Meeting to raise questions relating to the financial statements and operation of their Company, as well as provide suggestions to Management and the Board of Directors.

During the year and outside of the Annual General Meeting, material information relating to the Company's operations are disseminated to our Shareholders through media publications, such as Media Releases, Newspapers in circulation and on the Company's website.

14. APPROVAL

The Corporate Governance Guidelines aforementioned has been approved by the Board of Directors of Dolla Financial Services Limited on this 30th day of June 2022



Ryan Reid
Chairman





Jordan Chin
Company Secretary



DOCUMENT CONTROL

Version	Date	Version Author	Details of significant changes
V1.0	June 28, 2022	Tricia Nicholas	First adoption