

GRACEKENNEDY GROUP

CORPORATE GOVERNANCE REPORT 2020

CORPORATE GOVERNANCE & NOMINATION COMMITTEE **REPORT**

Year ended December 31, 2020

GOVERNANCE

The Foundation of Stronger Together, We Care

A strong culture of Corporate Governance continues to be at the core of GraceKennedy's continued success in the ever-changing global space in which we operate.

GraceKennedy has long had a keen focus on its stakeholders, including its customers. The COVID-19 pandemic has validated this focus, showing us the inextricable link between GraceKennedy and its communities even more.

Our values and ethos are underpinned by our Corporate Governance Code and Code of Ethics & Guidelines for Business Conduct, which together, set out the general principles which have guided our Company over the years.

OUR CORPORATE GOVERNANCE CODE



The principles of our Code were compiled with reference to the United Kingdom Combined Code on Corporate Governance, the Private Sector Organization of Jamaica's Code on Corporate Governance and the Corporate Governance Guidelines set out in the Jamaica Stock Exchange (JSE) Main Market Rules. Our Corporate Governance Code is reviewed every two (2) years, or more often as may be considered necessary, to take account of developing best practices. The biennial review of the Code commenced in 2020 to take into consideration recent developments in local and international best practices for good governance.

THE CENTRALITY OF OUR CODE OF ETHICS

Honesty, Integrity & Trust

Our Code of Ethics & Guidelines for Business Conduct (Code of Ethics) is a formal document that outlines the minimum standards for acceptable behaviour and the strong ethical culture expected of our Employees and Directors. We believe that our Employees and Directors should promote and exemplify our core values of Honesty, Integrity and Trust. This means that our business dealings are based on the following principles:

- **ACCEPTANCE** of decisions made by the proper forum, person or authority
- **COMMITMENT** to quality and service

- **CONFIDENCE** in making decisions with due regard for all relevant facts and circumstances
- **CONSIDERATION** for the concerns of others
- **FAIR PLAY** being just and consistent in our dealings with all
- **HONESTY** in what we say and do
- **HUMILITY** without pretension or self-importance
- **INTEGRITY** our word is our bond
- **LOYALTY** to the organization and companies forming part of our Group
- **OPEN-DOOR** easy accessibility
- **RESPECT** for staff, peers, managers, directors and the public
- **SINCERITY** being genuine and without pretence
- **TOLERANCE** for each other's differences
- **TRANSPARENCY** being open in what we do
- **TRUST** to inspire and earn the trust and confidence of staff, associates and the public by our conduct.

This will make us stronger, together.

The Code of Ethics is reviewed and updated periodically to reflect policy, legislative and regulatory changes applicable to the GraceKennedy Group. As it approaches the celebration of its 100th anniversary in 2022, GraceKennedy will launch a revised Code of Ethics in 2021 which is appropriate to the Company's vision and mission.

At the start of each calendar year, employees and Directors are required to confirm that they have reviewed the Code of Ethics and complied with its terms during the previous year. Failure to comply with the Code of Ethics

is considered a serious matter and some infractions may result in disciplinary action in the case of employees, and Directors may be required to relinquish their roles as Directors.

A report is delivered to the Corporate Governance and Nominations Committee (CGNC) on any employee or Director who has not delivered this confirmation as required, and the appropriate steps are taken to ensure compliance.



OUR BOARD OF DIRECTORS

Composition, Role and Responsibilities

The Board of Director's formal Terms of Reference and our Corporate Governance Code set out the composition, role and responsibilities of our Board.

The role of the Board is to provide entrepreneurial leadership to the Company, within a framework of prudent and effective controls, which enables enterprise-wide risk to be assessed and managed. The Board also provides strategic guidance to the GraceKennedy Group, oversees the implementation of strategic objectives and monitors management's performance against key objectives.

The Company's Balanced Scorecard is one of the tools used by the Board to measure and monitor the progress and outcomes of the Company's strategic targets. The Balanced Scorecard also allows the Board to assess the Company's control and governance environment, as it translates the **mission** and **vision**, into defined and measurable outcomes.

BOARD COMPOSITION

The GraceKennedy Limited Board is comprised of nine (9) Directors. Over seventy-five percent (75%) or seven (7) of the nine (9) Directors are non-executive Directors, including the independent Chairman, Prof. Gordon Shirley. This is in keeping with the Company's Corporate Governance Code, which mandates that not less than half of the Board should comprise non-executive Directors.

The remaining two (2) Directors are Senior Executives of the GraceKennedy Group: Donald Wehby, Group Chief Executive Officer and Andrew Messado, Group Chief Financial Officer.

Thirty percent (30%) of our Directors are female.



INDEPENDENCE

We consider a Director independent if he/she is a non-executive Director who is free of any interest, position, affiliation or relationship that might influence or reasonably be perceived to influence, in a material respect, his or her capacity to bring independent judgement to bear on issues before the Board and to act in the Company's best interest. This definition is in line with international best practice and the provisions of our Corporate Governance Code.

In order 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 role and fulfil his or her duties to the Company. The CGNC and the Board review these declarations and other information available to it, in determining whether a Director may be considered independent. Directors are also obliged to provide, in a timely manner, updates of any change in their status that may directly, or indirectly, affect their independence. In 2020, having considered the declarations made by each Director, any potential conflicts of interest and any other information that may have been available to the CGNC and the Board, six (6) of our nine (9) Board Directors were deemed independent Directors:

- Prof. Gordon V. Shirley, OJ
- Mary Anne V. Chambers, O.Ont., M.S.M., Hon LL.D
- Dr. Parris A. R. Lyew-Ayee, Jr
- Everton L. McDonald, OD
- Dr. Indianna D. Minto-Coy
- Gina M. Phillipps Black

The ongoing assessment of Directors' independence is a critical component of our governance framework, as our non-executive Directors are expected to challenge management's proposals on strategy and objectively monitor the Company's key performance indicators.

Having a majority of non-executive independent Directors on the Board promotes increased transparency and accountability. Independent Directors are encouraged to, and do, constructively challenge and help develop proposals on strategy, and scrutinise the performance of management in meeting agreed goals and objectives. The non-executive independent Directors oversee the maintenance of the integrity of financial information and ensure that financial controls and systems of risk management are relevant and robust.

Non-executive Directors are given an opportunity for open and frank discussion in a private session generally held at the end of each Board meeting. During private sessions, discussions are led by the Board Chairman, and non-executive Directors may raise any matter, whether arising from that meeting or a previous one. The Group CEO also has private sessions with the Company's Chairman alone, and with the CGNC Chair, or both.

All non-executive Directors are members of the CGNC. CGNC meetings are structured to begin with a session during which the non-executive Directors discuss governance matters in private. This meeting is followed by a private session attended by the Group CEO, which provides him with an opportunity to raise matters that should be discussed, without other executives or members of the management team present, or before raising them at the Board meeting. This session also gives the Group CEO the opportunity to privately raise matters or seek guidance from the CGNC on areas of key performance and execution of strategic objectives.

The size of our Board and its Committees and the skillsets and competencies of our Directors are adequate and enable the Board to discharge its duties in an efficient and effective manner. Notwithstanding this, the Board is continuously finding ways to refresh and strengthen existing competencies.

The table below provides information on the academic qualifications and relevant expertise and skills of each Director of the Company, and the Committees/Sub-Committees on which they served during the reporting period.

DIRECTORS	ACADEMIC QUALIFICATIONS	EXPERTISE	COMMITTEE/ SUB-COMMITTEE
Prof. Gordon V. Shirley, OJ	Doctorate in Business Administration (Operations Management (DBA); MSc. Business Administration (Operations & Finance) (MBA); BSc. Mechanical Engineering	Technology, Product/Service	Corporate Governance & Nomination Committee Member; Compensation Sub-Committee Chairman
Everton L. McDonald, OD	BSc. Economics; Fellow Chartered Accountant (FCA)	Service Expertise-Audit-internal & external, Finance, Risk, Corporate Governance	Audit Committee Chairman; Corporate Governance & Nomination Committee Member; Compensation Sub-Committee Member

DIRECTORS	ACADEMIC QUALIFICATIONS	EXPERTISE	COMMITTEE/ SUB-COMMITTEE
Mary Anne V. Chambers, O.Ont., M.S.M., Hon LL.D	B.A. (Hons.) (with majors in Commerce & Political Science), University of Toronto; Executive Management Program, Queen's University; Chartered Director (C.Dir.), The Director's College, McMaster University & The Conference Board of Canada	Banking, Technology, Corporate Governance	Audit Committee Member; Corporate Governance & Nomination Committee Member
Gina M. Phillipps Black	Bachelor of Laws (LLB), Certificate of Legal Education (CLE)	Legal, Corporate Governance	Corporate Governance & Nomination Committee Chairman
Dr. Parris A. R. Lyew-Ayee	D.Phil., University of Oxford: Geography, BSc. (1st CI Hons) UWI: Earth Sciences	Technology, Data Analytics	Audit Committee Member; Corporate Governance & Nomination Committee Member; Compensation Sub-Committee Member
Peter H. Moses, OJ, CD	BSc. Economics	Banking	Audit Committee Member; Corporate Governance & Nomination Committee Member
Dr. Indianna D. Minto-Coy	PhD., MSc., BSc.	Diasporas, Migration, Entrepreneurship, Corporate Governance	Audit Committee Member; Corporate Governance & Nomination Committee Member
Don G. Wehby, CD	MSc., BSc. (Hons.) Accounting, Fellow Chartered Accountant (FCA)	Accounting, Finance	n/a
Andrew R. Messado	MSc. Accounting (Distinction); BSc. Accounting (1 st CI Hons.); Fellow Chartered Accountant (FCA)	Accounting, Finance	n/a

The CGNC, which has responsibility for making or reviewing and approving recommendations for appointments to Boards across the GraceKennedy Group, considers the composition of the subsidiary Boards for the purpose of ensuring independent oversight, compliance with regulatory requirements, and in order to take a proactive approach to Board composition and succession planning. The approach to and requirement for independent non-executive Directors is promoted and replicated across the GraceKennedy Group, at the subsidiary Board level.

THE CHAIRMAN

Prof. Gordon Shirley is the Chairman of the Board and its lead independent non-executive Director. In that capacity, Professor Shirley is responsible for the leadership of the Board, setting its agenda with the Company's Secretary, and ensuring the Board's effectiveness in all aspects of its role. He is also responsible for ensuring that the Directors receive accurate, timely and clear information. He also ensures that there is effective communication between the Board and the Company's management and shareholders.

COMPANY SECRETARY

Mrs Gail Moss-Solomon is the Board-appointed Company Secretary and is responsible for ensuring that the Board complies with governance procedures and policies, and its legal, regulatory and financial obligations.

Her duties include, but are not limited to, the filing of statutory documents and communicating with regulatory bodies, such as the Jamaica and Trinidad Stock Exchanges, the Financial Services Commission of Jamaica, and the Trinidad and Tobago Securities Exchange Commission. Directors have access to the impartial advice and services of the Company Secretary, who onboards new Directors and facilitates the continuous development of Directors' skills through training and development opportunities, including the Annual Directors' Training. Directors receive training on appointment and thereafter, at least annually, on a wide variety of matters. In compliance with COVID-19 protocols and recommendations, several virtual training sessions were held for the benefit of Directors and Senior Managers throughout the year in 2020. Mrs Moss-Solomon also ensures the proper functioning of the Board and its Committees through the preparation of meetings, and the timely communication of information between the Board and Committees, and with senior management.

ATTENDANCE

Our Board meets regularly based on the pre-approved annual schedule of meetings during a given year, which allows the Board to discharge its duties in a timely and effective manner. The events related to the COVID-19 pandemic supported the importance of GraceKennedy's view of corporate governance as not just a set of rules to be followed, but added value; by facilitating sound decision-making, while enhancing the quality of leadership in the ongoing crisis. Following the identification of the first COVID-19 case in Jamaica in March 2020, a decision was made to hold all Board meetings in a virtual format. Prior to COVID-19, Directors were already empowered to take resolutions in writing and vote electronically. Technological solutions were already in place to facilitate Directors' effective and safe communication, to allow for efficient decision-making and participation in online meetings. As such, meetings continued to be productive and effective during the year.

Board members are required to attend Board and assigned Board committee meetings regularly, and to prepare for and participate actively in meetings. The CGNC is pleased to report that attendance of the Company's Directors at Board and Committee meetings continues to be outstanding, evidencing their commitment to their duties and responsibilities as Directors of the Board.

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DIRECTORS	EXECUTIVE(E)/ NON-EXECUTIVE (NE)	BOARD *	CORPORATE GOVERNANCE & NOMINATION COMMITTEE	AUDIT COMMITTEE*	COMPENSATION SUB-COMMITTEE	DATES OF APPOINTMENT TO BOARD
Mary Anne V. Chambers, O.Ont., M.S.M., Hon LL.D	NE	5/5	4/4	5/5 (including 1 special meeting to discuss MD&A)	n/a	26-May-11
Dr. Parris A. R. Lyew-Ayee	NE	5/5	4/4	5/5 (including 1 special meeting to discuss MD&A)	2/2	06-Mar-13
Andrew R. Messado	E	5/5	n/a	n/a	n/a	01-Apr-19
Everton L. McDonald, OD	NE	5/5	4/4	5/5 (including 1 special meeting to discuss MD&A)	2/2	26-May-11
Gina M. Phillipps Black	NE	5/5	4/4	n/a	n/a	08-Feb-12
Prof. Gordon V. Shirley, OJ	NE	5/5	4/4	n/a	2/2	30-May-96
Don Wehby	E	5/5	4/4	n/a	n/a	05-Oct-09
Peter H. Moses, OJ, CD	NE	5/5	4/4	5/5 (including 1 special meeting to discuss MD&A)	n/a	26-Jun-18
Indianna Minto-Coy	NE	5/5	4/4	5/5 (including 1 special meeting to discuss MD&A)	n/a	26-Jun-18

* Includes Ad Hoc Special meetings – These meetings typically have a reduced Agenda as they are usually called for specific purposes and often at short notice.

The CGNC also reviewed the Directors' attendance schedule for key operating subsidiaries in the GraceKennedy Group, and determined whether the attendance record of any Director of those entities should be of concern or require further action.

OUR BOARD COMMITTEES

The Company has established Committees and Sub-Committees, as well as Ad-Hoc Committees constituted from time to time, which have the authority to carry out specific functions of the Board. These Committees are set up so that a small subset of the Board, with or without management members, may focus on an issue in detail. This ensures that appropriate attention is paid to the specific operational issue and facilitates sound and timely decision making by the Board. In keeping with good governance principles, the decisions of the Committees and Sub-Committees are reported directly or ultimately to the Board and, where the Board requires, must be ratified by the Board in order to have effect.

The Committees include the Corporate Governance & Nomination Committee, the Audit Committee, the Banking Committee, and the Compensation Sub-Committee, the latter being a permanent sub-committee of the CGNC. All these Committees of the Board are chaired by independent non-executive Directors. During 2020, the Chair of the CGNC was Gina Phillipps Black. The Audit Committee was chaired by Everton McDonald and the Compensation Sub-Committee was chaired by the Chairman of the Board, Prof. Gordon Shirley.

During the year, Committees reviewed their terms of reference and recommended revisions to the Board for approval. The Board also reviewed and revised its own terms of reference, which may be viewed on the Company's website. The Committees and Board took into consideration relevant legislation, rules and regulations, as well as international best practices, when reviewing their terms of reference.



Scan the QR Code to read the Directors' Terms of Reference or visit the following link:
<https://www.gracekennedy.com/corporate/code/terms-of-reference-directors-gracekennedy-ltd/>

SUCCESSION PLANNING

The CGNC continued discussions with respect to the Board's composition, given its mandate to ensure orderly succession planning and the maintenance of an appropriate balance of skills and experience among Directors. The CGNC also reviewed the composition of subsidiary Boards, which involved a review of the skillset, experience, age and number of independent Directors. During this process in 2020, the CGNC identified some Boards which required strengthening and recommendations for appointments of directors were made to the Chair of those Boards.

THE NOMINATION, APPOINTMENT & ORIENTATION PROCESS FOR NEW DIRECTORS

The CGNC uses a 'skills competency matrix' and the results of the Board's evaluation to identify existing or potential skill gaps, and seeks to identify opportunities to fill those gaps. The Committee also factors into its deliberations the need for diversity in gender, experience and age, all of which are important considerations as we seek to enhance the Board's effectiveness and strengthen its work.

The Company has a policy that governs the nomination, selection and appointment of new Directors across the GraceKennedy Group. When a nominee for non-executive Director is identified, the CGNC considers the nomination and makes a recommendation to the Board. The nominee's qualifications, experience and background, as well as the result of independent enquiries are considered by the Board and CGNC in arriving at a decision. The Secretary confirms to the Committee that the due diligence checks undertaken did not uncover any adverse findings that would affect the nominee's suitability for appointment.

The Chairman of the Board, the Group CEO and the Chair of the CGNC also interview the nominee. The interview covers any area of potential conflict of interest, considerations that may impact the independence of the nominee and whether the nominee is able to devote the time necessary to prepare in advance and to attend Board and, where applicable, committee meetings. The Group CEO, Chairman of the Board and its CGNC Chair conducted several of these interviews during the period covered by this report.

The appointment of Executives to Boards in the GraceKennedy Group, with the exception of the Divisional Boards, continues to be made by the Group CEO, in consultation with the Executive Committee.

New Directors participate in a comprehensive induction to the Company's affairs upon joining the Board. This process commences with a formal letter of appointment and Board package containing key terms and conditions of the appointment, the Company's Code of Ethics, statements of the Director's duties, rights and responsibilities, a confirmation of the time commitment envisaged, and the Board's expectations regarding involvement with committee work.

The re-election of a retiring Director who is eligible for election is not automatic and subject to satisfactory Board performance. The CGNC and Board consider the performance of a Director who is eligible for re-election, among other factors such as required proficiencies, time availability, and considerations on which independence is determined. The Board does not currently have fixed tenure limits for non-executive Directors other than as provided in the Company's Articles. Term limits for Directors of subsidiary Boards have been implemented for new appointments to those Boards in recent years.

A clear understanding of the Company's business, vision and values, and strategic, operational, financial, compliance and risk management outlook are required for a Director to properly discharge his or her duties.

For this reason, during the introduction and induction period, the new non-executive Director is exposed to the Company and its businesses through the provision of business and financial information, as well as the convening of one-on-one meetings with members of the Senior Management team, at which additional information and clarification are provided. The CGNC has directed that this should also include a session on the Group's financials, given their complexity. The complex nature of the Company's financials is due to the geographical spread and diversity of the Group's operations, as well as reporting requirements for several subsidiaries within each segment.

Directors' Liability Insurance cover is currently in place for Directors of the Company and its subsidiaries, and this is renewed annually. Each year, Directors of the GraceKennedy Group are provided with a confirmation that this insurance cover is in place.

TRAINING & DEVELOPMENT

Directors are required to continuously update and refresh their skills and knowledge in order to fully and effectively discharge their duties. The CGNC is responsible for ensuring appropriate Board orientation, training and development activities for the Directors of the GraceKennedy Group. Additionally, Directors are advised that they are expected to communicate with the CGNC regarding any continuing professional education and development that may be considered desirable for the proper discharge of their duties and the Group's success.

During 2020, over one hundred (100) Directors, Senior Managers and Executives of the GraceKennedy Group participated in the Annual Director's Training, which was held in the form of three (3) virtual training sessions covering the following topics:

- Recent and Emerging Trends in Corporate Governance
- Oversight, Accountability, Transparency and the Role of the Audit Committee
- The Data Protection Regime and the Director's Remit
- COVID-19 - The next normal and implications for Financial and Foods services
- Anti-Money Laundering and Counter-Terrorism Financing

Although in 2019 a decision was taken to alternate between face-to-face and online training sessions for the Annual Directors training, the Board agreed that virtual training sessions only would continue until the COVID-19 pandemic subsides.

Following the virtual sessions, the presentations were made available electronically to attendees, as well as to those who were unable to attend. Directors are reminded of the importance of attending the annual Directors' training exercise, and that participation is considered in the assessment of each Director during the Board evaluation process.

Apart from the annually scheduled Directors' Training, the Committee and its members share research, articles, presentations and briefings on topics that are pertinent to, or considered to have the potential to impact the Company's businesses, operations, or people.

The subsidiary Boards also engaged in sector-specific training during the year, related to the industries in which the subsidiaries operate, such as the securities market in Jamaica, the US Hispanic Market and economic reviews of the Belizean and Canadian markets. Reports on the sessions were provided to the CGNC.

Cyber Security Awareness training remains mandatory for Directors and employees in the GraceKennedy Group and is conducted annually. In addition to the Annual Directors' Training, seventy-eight (78) Managers and

Executives across the Group received training during 2020, in areas related to the business and their roles, including:

- Time Management & Productivity
- IFRS 2020
- Leadership
- Enterprise Risk Management

OUR POLICIES

The Board understands the importance of enterprise risk management, risk mitigation, compliance standards and their application. A formal delegation of authority policy is in force and the Board approves and monitors delegations to and by the Group CEO to senior management. This monitoring assists the Group CEO and the Board in ensuring that strategic decisions reflect good governance and that the principles laid out in the Company's Code of Ethics are honoured.

Our employees are important stakeholders in our corporate governance framework, and this is affirmed through the application of our Code of Ethics and policies related to safety and welfare, such as our Corporate Social Responsibility, Flexible Work Arrangement and Community Involvement Policies. Our Flexible Work Arrangement Policy was revised based on feedback from employees indicating that they wanted more options, such as telecommuting. We are committed to excellence in service delivery and creating mutually beneficial and enduring employment relationships. In doing so, the Company recognizes and facilitates the ability of employees to effectively execute their job functions, while fulfilling their personal needs and responsibilities, which include but are not limited to family responsibilities, educational, volunteering and wellness activities. The revised Flexible Work Arrangement Policy came into effect on January 29, 2021. A Sub-Committee of the Board was appointed to undertake a comprehensive review of the policies issued by the Board. As at the date

of this report the Sub-Committee has reviewed over twenty (20) policies. The Sub-Committee is expected to complete the review process in 2021.

GraceKennedy has a Whistleblowing Policy. All employees are reminded of the Policy which sets out the responsibility for each employee to report to the Company, breaches and suspected breaches of the Code of Ethics or the Company's Policies and any serious weakness or deficiency in its policies, procedures or controls. The Policy outlines internal reporting procedures and identifies the availability of a Whistleblowing hotline, which is administered by an independent external provider. Disclosures continue to be made utilising the procedures established by this Policy. Every disclosure has been investigated. The Policy has also been made available to stakeholders on our website.



BOARD EVALUATIONS

The formal evaluation of the Board's performance, and that of its Committees, is undertaken annually. The evaluation is currently conducted by the Group's Business Intelligence Unit and is administered electronically using an online survey tool. Every other year, the evaluation is extended to cover self and peer evaluation of each Director. The full format conducted in alternate years, therefore, involves an assessment of the GraceKennedy Board, a self-assessment of the individual Board Member and a peer assessment of Board Members, which solicits responses with respect to the overall performance of the Board Member, such as skills and attributes, preparedness and participation in meetings, effectiveness, and understanding of the Board Member's responsibilities. The short format evaluation places less

emphasis on the peer review and more emphasis on the Board's overall performance and dynamics, captured by questions related to Board structure and culture, content and analysis, Board conduct and the monitoring of risks and trends.

In 2020, the Board evaluation exercise was undertaken by an external evaluator that is an international management consulting firm. The evaluation took the form of a Board Effectiveness Survey. The survey was administered to provide insights on Board dynamics and governance arrangements, including governance structure (Board committees) and different aspects of Board effectiveness, such as, how Directors work together, how the Board spends its time, and what the Directors' perception is of the overall performance of the Board. The survey was followed by individual interviews with each Director to gain insights into their survey answers. The survey results were then compared to the latest global benchmark.

Following the production of the Board effectiveness report, the external facilitator met with the entire Board to review the results and provide recommendations on how to maximise the Board's performance to further unlock value, accelerate the Board's ability to guide the Group to deliver on its strategy, and enable effective decision making. The next externally facilitated evaluation will be conducted in 2024.

Overall, the Board was satisfied with its performance and will implement the recommendations discussed.

The CGNC also reviewed the Evaluation Schedule for key operating subsidiaries in the Group and received reports from the subsidiary Board Chairs on the results of the evaluations.

The evaluation of the Audit Committees of the regulated entities within the Group commenced during the year 2020. These evaluations will be conducted every two (2) years.

COMMUNICATION

Management is required to provide regular and timely updates to enable the Board to discharge its duties effectively. Directors may request additional information where necessary and have access to management for this purpose.

There is open, clear and constructive dialogue between the Company and its shareholders and stakeholders. The CGNC ensures that shareholders have an opportunity to make the Board aware of their views, issues and concerns, and to understand the Company's strategy, operations and performance.

The Annual General Meeting (AGM) continues to be an important forum for shareholders to engage with management and the Directors on various aspects of the GraceKennedy Group's operations. Due to the COVID-19 pandemic and the restrictions placed on public gatherings the AGM was live streamed for the first time. Over two hundred (200) persons watched the live stream. The Minutes of our AGM, a record of the questions asked, and responses provided were produced, and are made available to shareholders on the Company's website and will also be available at the next AGM. Additionally, shareholders are advised that they may request a copy of the Minutes by sending an email to gracekennedy@gkco.com. The copy will then be emailed to the shareholder or may be collected from the Company's Head Office in Jamaica. A video recording of the AGM is also available online on the Company's YouTube channel.

The existence of effective communication beyond mandatory disclosure is critical for corporate governance to succeed in our Company. The Company uses several channels to actively keep shareholders and stakeholders informed, including Company websites, social media and print platforms of the Company and its subsidiaries. Material or significant developments are communicated

by way of Stock Exchange announcements and press releases published in the daily newspapers circulating in Jamaica and Trinidad & Tobago. Press releases are also posted on the Company's website at

www.gracekennedy.com. At quarterly investor briefings, the Group CEO and CFO discuss recent financial statements, updating shareholders and stakeholders on developments within the GraceKennedy Group. These briefings take the form of an online meeting, and are open to the public, allowing anyone who wishes to do so, to access via live internet stream. Questions may be submitted to the Group CEO via email before or during the conference. Responses are usually provided during the conference broadcast. Notice of these briefings are posted on the Stock Exchanges' and Company's websites.

The Company also publishes interim and full year results, as well as this Annual Report and accompanying financial statements.

AN EFFECTIVE RISK MANAGEMENT FRAMEWORK AND GOVERNANCE

Good governance and effective risk management go hand-in-hand. The Company's structured enterprise-wide approach to risk management requires the identification, mitigation and management of risks. Strong risk management and internal controls are monitored by the Group Chief Risk and Compliance Officer, who provides reports to the Board through the Audit Committee. These reports provide the Board with the assurance that there is sound and informed decision-making and an efficient allocation of resources regarding the evaluation of risks and uncertainties facing the Company. During the year, the Board reviewed the Group's Risk Policy, which can be found on the Company's website.



Scan the QR Code to read the Group's Risk Policy or visit the following link:
<https://www.gracekennedy.com/corporate/code/risk/>



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gracekennedy.com

