

Corporate Governance, Nomination and Compensation Committee ("the Committee") Terms of Reference

1. Purpose

The Corporate Governance, Nomination & Compensation Committee shall assist the Company's Board of Directors (the Board) in:

- Enhancing the Company's system of corporate governance by establishing, monitoring and reviewing the principles of good governance with which the Company and its directors will comply;
- Promoting high standards of corporate governance based on the principles of openness, integrity and accountability taking into account the Company's existing legal and regulatory requirements;
- Promoting corporate governance best practices by ensuring the implementation and periodic review of procedures, policies, codes of conduct and guidelines that facilitate such best practices;
- Identifying individuals qualified to become directors and making recommendations with respect to the appointment and re-appointment of directors (both executive and non-executive) to serve on the Board as well as membership on the various Board sub-committees;
- Leading the annual review of the performance of the Board and of individual directors;
- Discharging the Board's responsibilities in relation to the Total Compensation (defined as compensation, benefits and perquisites) of the Company's General Manager and other Senior Executives in a manner consistent with and in support of the business objectives of the Company, competitive practices and all applicable laws and regulations.

2. Board Composition

The Board shall appoint the members of the Committee, which shall comprise of non-executive Directors.

3. Responsibilities

The duties of the Committee shall be, to:

- Develop and recommend to the Board for adoption, a set of corporate governance guidelines as may be deemed necessary by the Committee to ensure that the Company effectively protects and enhances its shareholder value;
- Review, at least annually, the Company's corporate governance policies and guidelines and to recommend any proposed changes with respect thereto, to the Board for approval;
- Review, at least annually, and make recommendations on issues regarding the Company's conduct of its business as a responsible corporate citizen;

- Review legislative and regulatory developments in relation to corporate governance issues that might affect the Company's operations;
- Nominate new directors;
- Review the existing Board and make representations on its composition and balance. In conducting such review, the Committee may consider the following factors:
 - total number of directors;
 - mix of executive and non-executive directors;
 - average length of service of directors;
 - skill, diversity and industry experience of directors;
 - responsibilities of specific directors;
 - performance of each director; and
 - significant time commitments of directors and their ability to effectively discharge their duties;
- Ensure that the Company's compensation and benefits framework is consistent with the values, objectives, cost structure and strategy of the Company;
- Make recommendations to the Board with respect to incentive compensation and equity-based incentive plans that require shareholder approval including any stock options to be granted to employees and directors of the Company;
- Ensure that directors participate in training opportunities to equip them with the knowledge and skills required to effectively discharge their roles on the Board and relevant sub-committees;
- Undertake such additional activities, within the scope of its functions, as the Committee may from time to time determine or as may otherwise be required by law, or directive of the Board.

4. **Authority**

- The Committee may form and delegate authority to sub-committees where appropriate;
- From time to time and as the need arises, the Committee is authorized to obtain external or independent professional advice and may secure the attendance of the such persons with the relevant experience and expertise at meetings, if deemed necessary.

5. **Committee Chairman**

The Chairman of the Committee shall be appointed by the Board.

6. **Meetings**

- Meetings of the Committee may be called by the Committee Chairman or at the request of any two (2) Committee members;
- The Committee Chairman may convene a meeting to discuss any matter which falls under the purview of the Committee;
- The Committee shall meet at least two (2) times each year;

- In the absence of the Chairman, the members of the Committee shall elect a Chairman for the meeting;

7. **Quorum**

The quorum shall be two (2) Committee members.

8. **Reporting to the Board**

The Committee shall submit reports to the Board periodically but, in any event, at least once annually.

9. **Terms of Reference**

The Committee's Terms of Reference shall be reviewed, at least once annually, and recommendations made to Board for any proposed changes.

Key Insurance Company Limited
(hereinafter referred to as “Key” or “the Company”)

LOANS & INVESTMENT COMMITTEE
Terms of Reference

Purpose

The Loans & Investment Committee (“the Committee”) is established in accordance with Regulation 75 of the Insurance Regulations, 2001 (“the Regulations”), which is issued pursuant to the Insurance Act, 2001 (“the Act”).

It is mandated to perform such duties with respect to the Company’s loans and investments pursuant to the Act and Part VII of the Regulations as well as those required by the Financial Services Commission.

Duties

The duties of the Committee shall be to:

1. Set out broad guidelines within which the Finance Department may prudently invest the funds of the Company.
2. Assist the Company’s Board of Directors with respect to its exposure to credit risk, market risk, foreign exchange risk, liquidity risk, interest rate risk, and operational risk.
3. Review and, if thought fit, provide written approval for transactions or recommendations for the Board of Directors’ approval.
4. Review and evaluate previous investment activities and yield as well as the current status of all funds held by the Company.
5. Review the investment activity for the next period and to recommend investment strategies to the Management of the Company (“Management”).
6. Approve any external fund managers/managing arrangements in relation to the Company’s investment portfolio.

These guidelines do not supersede applicable laws established under the Act and Regulations thereunder and the general Laws of Jamaica.

The Loans & Investment Policy

The Loans & Investment Policy governs all investing, this includes all cash and financial investments of the Company (local and foreign).

The Committee will be responsible for recommending the Loans & Investment Policy (“the Policy”) of the Company to the Board of Directors for approval. The Policy will include, but

is not limited to: investment objectives, the universe of Approved Investments, diversification limits, counter-party risk, authority and responsibilities of officers performing the investment function. Management will be responsible for:

- (i) Appointing officers who coordinate the day-to-day investment activities consistent with the Policy.
- (ii) Reporting on portfolio activity in a timely fashion to the Committee.
- (iii) Compliance with the relevant provisions of the Regulations.

The Committee will also be responsible for ensuring that Management implements the Policy and is accountable to the Board of Directors for its execution.

All loan and investment decisions must be guided by the Policy as approved by the Board of Directors from time to time.

The Policy shall be reviewed annually by the Board of Directors.

Committee Membership

The Committee shall comprise of at least three Directors who shall be elected by the Board, the majority of whom shall not be officers or employees of the Company.

Quorum

A quorum shall be two (2) Committee members.

Committee Chairman

- The Board shall appoint a Chairman for the Committee who will preside at meetings of the Committee.
- In the absence of the Chairman, another Committee Member shall be chosen by the Committee to preside at that meeting.

Meetings

- The Committee shall meet quarterly, and shall, at its discretion, meet more frequently if required.
- Committee Meetings may be called by the Chairman or by any two members of the Committee.
- The Committee shall have the power to request any officer(s) of the Company to attend its meeting.
- The Company Secretary or his/her designate shall keep the minutes of all meetings.

Reporting Requirements

- The Committee and/or the Chairperson shall provide updates on the Committee's activities and any significant issues, actions or decisions taken by the Committee to the Board of Directors.

Key Insurance Company Limited
(hereinafter referred to as “Key” or “the Company”)

CONDUCT REVIEW COMMITTEE
Terms of Reference

Interpretation
“Related Party” is defined in Regulation 82(1)&(2) of the Insurance Regulations and is annexed hereto.
“Securities” is defined in Section 2 of the Securities Act and is annexed hereto.

1. Purpose

The Conduct Review Committee (CRC) is established in accordance with regulation 74(1) of the Insurance Regulations, 2001 (the Regulations) which is issued pursuant to the Insurance Act (“the Act”). The CRC is mandated to establish written procedures that are geared towards identifying situations which create potential conflicts of interest and preventing such conflicts.

2. Duties/Responsibilities

- a. Review and, if thought fit, provide written approval for transactions between Key and any Related Party, subject to the requirements of regulations 82 through 86 of the Regulations.
- b. Review disclosures required to be made to the Board of Directors by Related Parties.
- c. Monitor the procedures established by the Board of Directors to identify and resolve Conflicts of Interest and ensure no self-dealings.
- d. Review the policies and, if applicable, the practices of the Company to determine the arm’s length consideration for all transactions with Related Parties, subject to the requirements of the Income Tax (Amendment) (No.2) Act 2015.
- e. Review the policies and practices of the Company to identify any transactions with Related Parties that may have a material effect on the stability or solvency of the Company.
- f. Keep a current total of all loans made to Related Parties that have been approved by the Committee, by name and the security relating to it.
- g. Demonstrate an awareness of the persons and entities that are Related Parties. In addition, it is the duty of the Committee to ensure that the directors and senior management are also aware of these Related Parties.
- h. Ensure compliance with all regulatory guidelines applicable to the Committee’s scope of authority.

- i. Keep a record of all related party transactions which it approves or which it does not approve, together with all such transactions which it refers to the Financial Services Commission and the disposition of such referrals.
- j. Keep a record of all related parties.
- k. Provide the Commission with a copy of the written procedures adopted by the CRC.

3. Committee Membership

- a. The CRC shall be comprised of at least three (3) independent directors, appointed to the Committee by the Board of Directors.
- b. The Board of Directors shall appoint a Chairman for the Committee, who shall be an independent Board Member.
- c. The Company Secretary (or his/her designate) shall be the Secretary of the Committee.

4. Authorities

The CRC is hereby authorized to:

- a. Seek any information the Committee may require from members of staff (all of whom shall comply with the Committee's request) or external parties.
- b. Have unrestricted access to all information and records of the business relevant to the Committee's responsibilities.
- c. Obtain external professional advice. In this regard, the Committee has the authority to approve the fees payable to such advisors and any other terms of engagement.
- d. Request the attendance of the Company's senior officers at meetings where appropriate.
- e. Conduct or authorize the conduct of an investigation within its area of responsibility.

5. Meetings

- a. At the start of the fiscal year, the Committee shall approve an annual calendar of meetings.
- b. The Committee shall meet at least twice per year or more frequently as circumstances may dictate.
- c. Meetings of the Committee may be called by the Chairman or any two members of the Committee.
- d. A quorum of the Committee shall be at least two (2) independent directors.
- e. The Committee Chairperson may from time to time invite other members of the Board to attend the meeting, as may be required.

6. Reporting Requirements

- a. The Committee Chairperson shall provide updates on the Committee's activities and any significant issues, actions or decisions taken by the Committee to the Board of Directors.
- b. At least once per year, the Committee shall provide a written report to the Board of Directors setting out the following:
 - i. Securities that have been issued by Key or by its Related Party;

- ii. Securities that have been held in trust or estate by Key as a fiduciary during its immediately preceding financial year;
- iii. Any approvals given or denied pursuant to regulation 82(5);
- iv. Confirmation that the Company has complied with the requirements of Part VIII of the Insurance Regulations.
- v. Set out an updated record on all Related Parties and a record of any transaction that it approved or did not approve in the immediate preceding financial year.

Addendum

“Related Party” means a person who-

- (1)(a) is a director or officer of the insurance company or any of its affiliate;
- (b) is an employee of the insurance company or its affiliate and is a member of a prescribed class of employees;
- (c) owns directly 10% or more of the non-voting shares in the entity, not counting any non-equity shares in the case of a credit union;
- (d) owns or controls, directly or indirectly, 10% or more of any class of voting shares in the company or in its affiliate, but is not an affiliate of the company;
- (e) is an affiliate of the company and-
 - (i) is not a wholly owned subsidiary corporation of the company; and
 - (ii) is not an insurance company or extra-territorial corporation that is a holding company that wholly owns the insurance business;
- (f) is a corporation in which the insurance business or its affiliate owns or controls, directly or indirectly, 10% or more of any class of voting shares;
- (g) owns or controls, directly or indirectly, a 10% or greater interest in a joint venture in which the insurance business or its affiliate also owns or controls, directly or indirectly, a 10% or greater interest;
- (h) owns or controls, directly or indirectly, a 10% or greater interest in a partnership in which the entity or its affiliate also owns or controls, directly or indirectly, a 10% or greater interest;
- (i) is a sole practitioner who is an auditor of the insurance company;
- (j) is actively engaged in auditing the insurance company and is a partner in a partnership that is an auditor of the insurance company;
- (k) is a director, officer or member of a prescribed class of employees of a corporation that is a related party under sub-paragraph (c) or (d);
- (l) is a spouse of an individual who is a related party under sub-paragraph (a), (b), (c) or (d) and occupies the same home as that person;
- (m) is a relative or an individual or the spouse of an individual who is a related party under sub-paragraph (a), (b), (c) or (d), and occupies the same home as that person;
- (n) is a corporation in which a person who is a related party under any of sub-paragraphs (a) to (h) and (k) to (m) or under paragraph (2) has or controls, directly or indirectly, more than 50% of the votes that are attached to the outstanding voting shares of the corporation and that may be cast in the election of the directors.

(2) A related party includes an individual who, having been a related party under sub-paragraph (1) (a), (b), (c), (d) or (e) of an insurance business ceases to be one under that paragraph, nevertheless continues for the purposes of this Part to be a related party of the insurance business for the twelve months commencing on the date the individual ceases to be a related party under sub-paragraph (1).

“Securities” means –

- (a) Debentures, stocks or bond issued or proposed to be issued by a government;
- (b) Debentures, stocks, shares and bonds or promissory notes issued or proposed to be issued by a company or unincorporated body;
- (c) Documents or writings commonly known as securities;
- (d) Rights in, or options in respect of, a derivative;
- (e) Certificates of interest or participation in any profit sharing agreement;
- (f) Collateral trust certificates, pre-organization certificates, or subscriptions, transferable shares, investment contracts, voting trust certificates or certificates of deposits for securities;
- (g) Any document constituting evidence of an interest in a scholarship or educational plan or a trust, other than a private plan or trust not offered to the public as an investment or;
- (h) Any right, interest or instrument designated by the Commission by order made with the approval of the Minister and published in the Gazette;

But, subject to section 35A, does not include-

- a) Bills of exchange;
- b) Stocks or shares of private companies;
- c) Certificates of deposit issued by banks licensed under the Banking Act, by financial institutions licensed under the Financial Institutions Act, or by building societies licensed under the Building Societies Act;
- d) Securities issued by the Bank of Jamaica;
- e) Certificates of deposit issued pursuant to the carrying on of credit union business by a society registered under the Cooperative Societies Act;
- f) Any form of investment specified by the Commission, by order made with the approval of the Minister and published in the Gazette, to be excluded from the definition as a security in any case where the Commission considers the exemption necessary having regard to the nature of the investment and the provisions of this Act,

So however, that nothing in paragraph (b) shall be construed as referring to stocks or shares issued in breach of a company’s memorandum or articles of association or articles of incorporation (as the case may be), or stocks of shares in a private company formed for the establishment of an investment fund.

Audit Committee Charter

PURPOSE

To assist the Board of Directors in fulfilling its oversight responsibilities to the shareholders, potential shareholders, the investment community, and others relating to the company's financial statements and the financial reporting process, the systems of internal accounting and financial controls, the internal audit function, the annual independent audit of the company's financial statements and the company's process for monitoring compliance with laws and regulations and the code of conduct.

AUTHORITY

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

1. Appoint, compensate, and oversee the work of the external auditor employed by the organization.
2. Resolve any disagreements between management and the auditor regarding financial reporting.
3. Pre-approve all auditing and non-audit services.
4. Obtain, at the company's expense, any outside legal or other professional advice it shall reasonably require in connection with the performance of its duties.
5. Seek any information it requires from any employee, officer or director of the company in the company-all of whom are directed to cooperate with the Committee's requests-or external parties in order to perform its duties.
6. Meet with company officers, external auditor, or outside counsel, as necessary.
7. Call any employee to be questioned at a meeting of the Committee as and when required

8. Form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee

The Committee has decision-making authority in regard to its delegated duties of verifying the independence of the external auditor, determining the fee for the external auditor, and for the terms of engagement of the external auditor.

The Committee should encourage continuous improvement, and should foster adherence to the company's policies, procedures, and practices at all levels. The Committee should also provide for open communication among the external auditor, financial and senior management, the internal audit function, and the board of directors

COMPOSITION AND QUALIFICATIONS

The Audit Committee shall consist of at least three and no more than six members of the board of directors. The board or its nominating committee will appoint Committee members and the Committee chair.

Each Committee member shall be both independent and financially literate and possess the ability to read and understand the fundamental financial statements of the company. At least one member of the Audit Committee shall, in the judgment of the Board of Directors, have accounting or related financial management expertise, certification as a practicing member of the Institute of Chartered Accountants of Jamaica or member of the Public Accountancy Board.

Members of the Audit Committee shall be free from any relationship to the company or any related entities that, in the judgment of the Board of Directors, may interfere with the exercise of their independence from management of the Company. Other than in their capacity as members of the Board of Directors, members of the Audit Committee may not be affiliates, officers or employees of the Company or any related entities and may not accept from the Company any consulting, advisory or other compensatory fees other than Company Board and Committee fees. Members of the Committee shall not be a full-time employee of the company for the past 3 financial years, be a material supplier or customer of the company such that a reasonable and informed third party would conclude in the circumstances that the integrity, impartiality or objectivity of that director is compromised by that relationship, or be related to anybody who falls within the above criteria.

The Board shall appoint the chairman of the Committee. In the absence of the chairman of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

Only members of the Committee shall have the right to vote.

The external auditors shall be invited to attend meetings of the Committee on a regular basis.

MEETINGS

The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary.

It will hold private meetings with auditors and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

RESPONSIBILITIES

To fulfill its responsibilities and duties, the Audit Committee will engage in the following activities:

Financial Reporting

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with management and the external auditor to review and discuss the company's annual financial statements and quarterly financial statements (prior to the company's JSE filings or release of earnings, including the company's disclosures under JSE corporate governance requirements and all internal control reports (or summaries thereof).
- Review with management and the external auditor the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.

- Review with management and the external auditor all matters required to be communicated to the Committee under International Standards on Auditing.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review interim financial reports with management and the external auditor before filing with regulators, and consider whether they are complete and consistent with the information known to Committee members.
- Discuss earnings press releases, including the type and presentation of information, paying particular attention to any pro forma or adjusted non-IFRS information. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made)
- Discuss financial information and earnings guidance provided to analysts and ratings agencies. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made)

Internal Control

- Consider the effectiveness of the company's internal control system, including information technology security and control.
- Understand the scope of internal and external auditor' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Internal Audit

- Annually, review, recommend changes (if any) to, and approve the internal audit charter.

- Approve decisions regarding the appointment and removal of the Internal Audit Director. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Internal Audit Director.
- Approve the annual audit plan and all major changes to the plan. Review the internal audit activity's performance relative to its plan.
- Review with the Internal Audit Director the internal audit budget, resource plan, activities, and organizational structure of the internal audit function.
- At least once per year, review the performance of the Internal Audit Director and concur with the annual compensation and salary adjustment.
- Review the effectiveness of the internal audit function, including conformance with The Institute of Internal Auditors' the Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing.
- On a regular basis, meet separately with the Internal Audit Director to discuss any matters that the Committee or internal audit believes should be discussed privately.
- Review the activities and organizational structure of the internal audit function, as well as the qualifications of its personnel.
- Periodically review, with the Internal Audit Director, any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the function's work.

External Audit

- Review the external auditor' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditor, and exercise final approval on the appointment or discharge of the auditors.

- Review and confirm the independence of the external auditor by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services, and discussing the relationships with the auditors.
- On a regular basis, meet separately with the external auditor to discuss any matters that the Committee or auditors believe should be discussed privately.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith.
- Obtain regular updates from management and company legal counsel regarding compliance or regulatory matters that could have a significant impact on the company's financial statements.
- Discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the company's major financial risk exposures and the steps management has undertaken to control them. Consider the risk of management's ability to override the company's internal controls.

Reporting Responsibilities

- Regularly report to the board of directors about Committee activities, issues, and related recommendations.
- Provide an open avenue of communication between internal audit, the external auditor, and the board of directors.

- Report annually to the shareholders, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
- Review any other reports the company issues that relate to Committee responsibilities.

Other Responsibilities

- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Evaluate the Committee's and individual members' performance on a regular basis.
- Review, with management, the company's finance function, including its budget, organization, and quality of personnel.
- Conduct an annual performance assessment relative to the Audit Committee's purpose, duties, and responsibilities outlined herein to confirm that all responsibilities outlined in this charter have been carried out.
- Perform any other activities consistent with this charter, the company's bylaws, and governance standards that the board or Audit Committee determines are necessary or appropriate.

Key Insurance Conduct Review, Nominations & Compensation Committee

1. General Board Committees Terms of Reference

1.1. Committee Membership and Chairperson

1. The composition of the board committee shall be majority independent board members and shall comprise at least three (3) independent directors.
2. The committee chairperson shall be an independent board member.
3. Committee members and chairpersons are recommended by the Key Insurance Nominations and Compensation Committee and Appointments are ratified by the Board of Directors
4. The Board shall undertake an annual periodic assessment of committee effectiveness.
5. The Company Secretary shall be the secretary of the committees. In the absence of the Company Secretary a director must act as committee secretary.
6. A quorum of the committee shall be at least two (2) independent members
7. If a quorum of a committee is not possible the committee chairperson has the authority to invite other independent members of the board to attend the meeting to constitute a quorum.
8. The committee chairperson may from time to time invite other independent members of the board to attend the meeting, as may be required.

1.2. Authorities

The board authorizes board committees within the scope of their responsibilities to:

1. Seek any information the committee requires from members of staff (all of whom are directed to cooperate with the committee's request) or external parties.
2. Have unrestricted access to all information and records of the business relevant to the committee's responsibilities.
3. Obtain external professional advice. In this regard, the committee has the authority to approve the fees payable to such advisors and any other terms of retention.
4. Request the attendance of the company's senior officers at meetings where appropriate.
5. Delegate responsibility to sub-committee (s) as it deems necessary or appropriate.
6. Recommend the ratification of policies and decisions of the relevant board committee. All policies and decision rights of executives are to be recommended for approval.
7. Conduct or authorise the conduct of an investigation within its area of responsibility

1.3. Meetings

1. At the start of the fiscal year the committee approves an annual calendar of meetings.
2. The committee shall meet at least quarterly or more frequently as circumstances dictate.
3. Committee meeting minutes are to be made available to the Company Board upon request. Requests outside of the Board may be made to the Board Chairman or Committee Chairman.

4. The committee chairperson provides updates (written or otherwise) on the committee's activities and any significant issues, actions or decisions taken by the committee at each Board meeting.

1.4. Responsibilities

1. Review the Terms of reference for the board committees periodically and recommend changes to the Board for approval.
2. Recommend to the Board assessments of the work and effectiveness of the board committees periodically (as this committee cannot assess itself the Board will have to assess same).
3. From time to time, the board may delegate to the committee responsibilities outside those expressly defined in the committee's terms of reference.

2. Nominations & Compensation

1. Purpose

The purpose of the Key Insurance Conduct Review, Nominations & Compensation Committee is to assist the board of directors in discharging its duties with regard to all people policies ensuring that the activities are consistent with policies and directives of the Key Insurance Board.

The committee formulates and reviews the;

- board appointment criteria
- compensation framework (which includes, but is not limited to, a compensation policy covering appointments, job descriptions and job evaluations) for board members, senior officers and team members, ensuring compensation is consistent with the objectives, strategy and control environment required to ensure truth, fairness and compliance with the legal requirements of the country and the Company's mission, values and strategic direction.

2. Responsibilities

1. Review and approve the people policies, subject to Board ratification.
2. Satisfy itself that people policies are sound and valuable and meet all relevant legal requirements and the requirements of regulators.
3. Review and approve the high level organizational structure (department level and above) to ensure achievement of the Company's strategic objectives.
4. Approve the engagement, promotion and termination of senior officers reporting directly to the Managing Director.

5. Assess any surveys to determine the organizational health and monitor the implementation of recommendations.
6. Review and approve people development strategies, ensuring that they meet the objectives of the Company.
7. Ensure that compensation policies are consistent with the values, objectives, cost structure and strategy of the Company and minimize any inherent risk.
8. Review and recommend the compensation and benefits framework (which includes, but is not limited to, a compensation policy covering appointments, job descriptions and job evaluations) to the Board for approval.
9. Contract the services of independent consultants to gather clear, unambiguous remuneration principles.
10. Recommend to the Board and Board Chairman remuneration for Directors.
11. Approve the framework for issuing stock options or other performance incentives.
12. Review and evaluate periodically the suitability of senior officers' compensation packages consistent with the framework.
13. Approve periodically the remuneration of directors for service on the Board and various committees.
14. Oversee and review succession plans for directors, the Managing Director or their equivalent and other senior managers.
15. Make recommendations to the Board concerning appointments to the Board of Independent Directors, having regard to the balance and structure of the Board and the required blend of skills and experience.
16. Ensure that all new senior officers and Board members are properly on-boarded. For Board members this involves taking the steps necessary to ensure all Board or Committee appointees are apprised of the Company's financial and operational position, roles and responsibilities of Directors and policies and procedures under which the Company is governed.

3. Conduct Review

1. Purpose

The Insurance Regulation 74 mandates insurers to establish a Conduct Review Committee, designed to protect the interests of the policyholders/shareholders.

2. Responsibilities

1. Demonstrate an awareness of the persons and entities that are related parties to the insurance company. In addition it is the duty of the Committee to ensure that the directors and senior management are also aware of these related parties.
2. Monitor the company's fiduciary functions to ensure that there are no self-dealings or conflicts of interest. This may be a joint responsibility with the audit committee.
3. Monitor all related party transactions to ensure that transactions are appropriate and in the best interest of policyholders.

4. Conduct periodic reviews of any customer complaints or feedback.
5. Conduct an annual review of the corporate governance framework of the Company to ensure compliance with all regulatory guidelines and current best practice standards.