

Corporate Governance Disclosure

1. The Company's Corporate Governance philosophies and practices are based on internationally accepted guidelines published by competent bodies in the Commonwealth and by internationally recognized bodies such as the International Institute of Internal Auditors, the Basle Banking Committee and on regulations issued by local and international regulatory agencies.
2. The Board of Directors is made up of external non-executive Directors and one executive director. Other than those appointed by or associated directly with major shareholders and the Managing Director appointed by the Board, most of the other Directors (at least 33%) are regarded as independent based on all established criteria for independence. Shareholders holding more than 8% of ordinary shares appoint six Directors and five Directors are elected based on a nomination process by the Board and by shareholders in accordance with the By-Laws. The Chairman and Deputy Chairman are elected by the Board from among its members.
3. The Board has a Code of Conduct for Directors that governs the role of directors and the relationship with management. The Code emphasizes the overriding fiduciary duty of Directors to act in good faith in the pursuit of the best interests of the company as a whole and sets out procedures for breaches of the Code and the application of sanctions.
4. The Board has an Executive Committee which acts for the Board within specified authorities in determining matters requiring Board decisions that arise between the bi-monthly meetings of the Board. The Committee also acts for the Board by providing "oversight" of core banking functions and by reviewing operational plans. The Executive Committee of the Board is made up of non-executive Directors and the Managing Director and its authorities and powers are limited to

those specifically mandated by the full Board. The Executive Committee also has a particular responsibility to ensure that agreed Corporate Governance systems, principles and procedures are being followed. The Committee is not authorised to approve matters related to the share capital or shareholders, changes in Loan Policy or Investment Policy, matters related to the operation of the Board or related directly to any or all of the Directors including the Managing Director, new borrowings exceeding five years or 25% of Capital and Reserves other than from the EIB, CDB or IIC, any changes in internal controls or in the Risk Management Framework, any changes in the format of procedures of reporting to the Board and the creation of new executive or senior management positions or the appointment of Executive and Senior Managers

5. The Audit Committee works with a mandate issued by the Board and is responsible for the nomination of independent auditors, and for reviewing the adequacy of existing external audit arrangements, particularly the scope and quality of the audit. The Audit Committee is empowered to seek independent professional advice, at the Company's expense if deemed necessary in carrying out their duties. The current Chairman of the Audit Committee is Mr Gaston Aguilera (ACCA) who has extensive experience as a company director, finance executive and financial controller. The other members are Ms Wilma Henry (ACCA) and Ms Paula Rajkumarsingh (ACCA).

6. The Remuneration Committee works with a mandate issued by the Board. The purpose of this committee is to ensure that the remuneration (basic salary, benefits and incentives) of all executive directors and Senior Managers, together with their terms and conditions of employment, provides fair reward for their individual contributions to the Group's overall performance, is appropriate, and is sufficient to recruit and retain individuals of the calibre required to ensure the continued success of the business. The current members of the Remuneration Committee all have senior executive management and Board experience and specific competence in remuneration matters.

7. The Board maintains a responsibility for risk management and regularly reviews risk limits and overall risk capacity. The Board reviews the General Risk Management Policy every two years. In addition, the Audit Committee monitors risk management reports and reviews risk management systems and procedures.
8. The Board holds management accountable for the development and execution of appropriate business plans based on strategy and direction provided by the Board; for the development of competences and capabilities and for general management of the Company and achievement of its Mission and agreed objectives based on well-established and documented principles and values.
9. The Board holds management responsible for Internal Control which is achieved mainly by:
 - Clear managerial accountability for specific operations and functions and comprehensive Job Profiles that establish performance criteria
 - Separation of responsibilities for key accounting functions
 - Standard accounting controls
 - Conformance with published investment policies that govern our private equity investment operations
 - Use of a Loan Management System that establishes policies and procedures related to lending operations and credit management functions; risk rating and pricing models; industry and country risk limits and generally accepted lending criteria and practices including graduated approval limits
 - Use of assessment centers regarding recruitment and staff development

10. The Board works with an Assurance, Business Improvement and Compliance (ABC) structure made up of internal, external, Board level and international components.

1. Internal (Management)

- 1.1. Reports from the CEO
- 1.2. Compliance reporting
- 1.3. Internal Audit
- 1.4. Enterprise Risk Management
- 1.5. Operations reviews

2. External

- 2.1. External review of IT/MIS policies, systems and practices
- 2.2. Independent auditors (Pricewaterhouse Coopers)

3. Board level

- 3.1. Audit Committee
- 3.2. Board review of risk management

4. International

- 4.1. FITCH Ratings
- 4.2. ACCION (microfinance reviews)