

**(5) JSE/PSOJ BEST PRACTICES  
CORPORATE GOVERNANCE AWARD**

*"To recognize companies that demonstrate and practice outstanding corporate governance."*

**Criteria:**

**A. Board Composition, Functions & Structure (32 POINTS)**

- (i) Selection, Orientation, Development, Evaluation and Separation
- (i) Review of Performance Management
- (ii) Subcommittees

**B. Corporate Governance Policies, Procedures & Practices (34 POINTS)**

- (i) Corporate Governance Code/Board Charter
- (ii) Remuneration
- (iii) Code of Ethics
- (iv) Corporate Social Responsibility
- (v) Compliance with Laws and Regulations

**C. Disclosure of Information & Stakeholders Relations (16 POINTS)**

- (i) Disclosure of Remuneration
- (ii) Corporate Disclosure Practices

**D. Risk Measurement & Management & Internal Controls (26 POINTS)**

- (i) Disclosure of Remuneration
- (ii) Corporate Disclosure Practices

**(6) JSE BEST PRACTICES GOVERNOR  
GENERAL AWARD FOR EXCELLENCE**

This Award, introduced in 2006, is the most prestigious and coveted award. Given by the Governor General, it is awarded to the overall winner of the JSE Best Practices Awards and most importantly to the company that maintains international Best Practices.

**MEMBERS OF THE AWARDS COMMITTEE ARE:**

**Professor Neville Ying (Chairman)**

Mona School of Business and Management

**Mr. Ricardo Allen**

One on One Educational Services Jamaica Limited

**Mr. Errol Anderson**

Xsomo International Limited

**Ms. Lisa Bell**

Exim Bank

**Ms. Greta Bogues**

PSOJ/Independent Consultant

**Mr. Christopher Bovell**

DunnCox

**Mr. Alvaro Casserly**

Director, JCSD & JCSD Trustee Services Limited

**Mr. Nigel Coke**

Director, Jamaica Union of Seventh-day Adventists

**Mr. Collin Greenland**

Institute of Internal Auditors / Association of Certified Fraud Examiners/American College of Forensic Examiners Institute

**Mr. David Hall**

Institute of Internal Auditors Jamaica Chapter Limited

**Dr. Andre Haughton**

University of the West Indies

**Ms. Alicia Hussey**

CD/Attorney-at-Law

**Dr. Nsombi Jaja**

Certified Management Consultant

**Mr. William Lawrence**

Mona School of Business and Management

**Ms. Antoinette McKain**

JDIC

**Ms. Roxanne Miller**

DunnCox

**Mrs. Audrey Richards**

Development Bank of Jamaica Limited

**Dr. Janice Simmonds-Fisher**

MD/Director, Bio-regeneration Integrated Medical Centre

**Mrs. Julie Thompson James**

Cube Corporate

**JSE**

**Mrs. Marlene Street Forrest**

Managing Director

**Ms. Andrea Kelly**

General Manager, JCSD & JCSD Trustee Services Limited

**Mr. Neville Ellis**

Marketing Manager

**Mr. Michael Johnson**

Senior Marketing Officer



# OUTLINE AND CRITERIA FOR AWARDS

The Jamaica Stock Exchange (JSE) Best Practices Awards was established in 2004 by the Jamaica Stock Exchange.

There are six (6) categories and an award is presented to the winner and runner-up for each category.

**We welcome your feedback.**

**Please call us at 876-967-3271 or send us an e-mail to [communications@jamstockex.com](mailto:communications@jamstockex.com)**

*Disclaimer: Please be advised that all award winners are based on meeting the criteria designed by each sub-committee and approved by the general committee. The winners are based on the previous year's information and therefore the awarding of prizes to either a listed company or broker is not an indication of current performance.*

The following are the objectives of the Awards.

## OBJECTIVES

1. To provide an avenue to recognize listed companies and stockbrokers in the securities industry, who uphold best practices standards.
2. To enhance the relationship between the JSE and its stakeholders.
3. To create an awareness of the standards for best practices in the areas to be adjudged.

A nineteen member Committee was established to act as a Judging Panel for the Awards.

## TERMS OF REFERENCE

The following are Terms of Reference for the Committee:

- i. The Best Practices Awards Committee will examine and develop criteria for each Award.
- ii. Six (6) sub-committees will establish the criteria for each Award.
- iii. The subcommittees will report to the main committee which will consider and if thought fit, ratify their decisions.
- iv. The subcommittees will be able to co-opt external members, if deemed necessary.

Awards are to be made in the following categories:

### (1) JSE BEST PRACTICES ANNUAL REPORT AWARD

*"To encourage public listed companies to produce clearer more reader-friendly annual reports and to provide greater insight into companies' financial affairs, governance practices and business activities."*

#### Criteria:

#### A. General Management Information and Analysis (55 POINTS)

- (i) Vision & Philosophy (5 points)
- (ii) Strategic Directions (10 points)
- (iii) Corporate Governance Practices (10 points)
- (iv) Corporate Social Responsibilities (5 points)
- (v) Risk Management Practices (10 points)
- (vi) Profiles of Directors and Executives and the Composition of Committees (5 points)
- (vii) Industry and Business Segment Discussion including relevant macro economic consideration (10 points)

#### B. Financial Information (25 POINTS)

- (i) Analyses of Trends (including narrative, charts and graphs) (10 points)
- (ii) Ten-year historical data or number of years listed (key ratios) (5 points)
- (iii) Disclosure and discussion on earnings (10 points)

#### C. Layout & Design (10 POINTS)

- (i) Aesthetic Appeal: Layout and Design (5 points)
- (ii) Readability: Use of type-fonts, clarity of expressions, graphics, photos and organization of information (5 points)

**NB.** Note will be taken regarding frequency of errors and repetitiveness of information.

#### D. Human Resources (HR) Development Policies & Practices (5 POINTS)

The report should include HR development strategies and policies for the organization which are key to driving business performance.

#### E. Environmental Policies & Practices (5 POINTS)

Each company is encouraged to discuss its demonstrable responsibility to the environment.

**\* Only Annual reports submitted within 120 days of the companies' year-end in accordance with the JSE Rule will be considered for this award.**

### (2) JSE BEST PRACTICES CORPORATE DISCLOSURE AND INVESTOR RELATIONS AWARD

*"To recognize and encourage companies to make timely and accurate reports and announcements to the JSE and maintain good investor relations with the wider investing Public."*

#### Criteria:

- (i) \*Submission of timely and accurate Quarterly and Audited Annual Reports to the JSE and shareholders (15 points)
- (ii) \*Timely and accurate information in respect to Corporate Actions as required by the JSE "Listing Agreement" and "Policy on Timely Disclosure" (10 points)
- (iii) \*AGM timeliness (10 points)
- (iv) Provision of opportunities for Shareholders to participate effectively in AGM (5 points)
- (v) Investor Briefings and Media Relations (10 points)
- (vi) Dividend Policy and payment (5 points)
- (vii) Timeliness in effecting transfers of shares (10 points)
- (viii) Disclosure of Corporate Governance Practices (10 points)
- (ix) Disclosure of Corporate Social Responsibilities (10 points)
- (x) Disclosure of Risk Management Framework/Policy (15 points)

**\* Points allocation will be based on submission in accordance with JSE Rules**

### (3) JSE BEST PRACTICES BEST PERFORMING COMPANY AWARD

*"To identify and recognize outstanding performance by listed companies in enhancing shareholder value in the areas of capital efficiency, profitability and direct return on shareholdings."*

Criteria	Weightings
(i) <b>Capital Efficiency Ratios</b>	
Return on Equity Adjusted for Risk	15 points
Return on Assets Adjusted for Risk	15 points
(ii) <b>Profitability</b>	
Growth in Net Profit	10 points
Net Profit Margin	10 points
Growth in Operating profit	10 points
Operating Profit Margin	10 points
(iii) <b>Direct Return on Shares (Dividend)</b>	
Yield Price	15 points
Appreciation	15 points

**ASSESSMENT: Each criteria is assessed on both a one-year and three-year (average annualized) basis, with substantially greater weight being given to the one-year measure. Measures for growth (item 2) are weighted for firm size.**

### (4) JSE BEST PRACTICES WEBSITE AWARD

*"To encourage listed companies to raise the quality and efficiency of the dissemination of information to the investing public via the website."*

#### Criteria:

- (i) Content of website (32 points)
- (ii) Usability Listed Companies (25 points)
- (iii) Interactive/Innovativeness (18 points)
- (iv) Presentation Style (10 points)
- (v) Functionality (15 points)