THE GLEANER COMPANY LIMITED

CORPORATE GOVERNANCE CODE

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MISSION

The Gleaner Company Limited (the Company or the Gleaner) is committed to being the source for accurate and independent information and as such is committed to providing its:

- Customers with quality products and services delivered in a courteous, timely and efficient manner;

- Shareholders with a profitable return on their investment;

- Community with corporate citizenship that is socially active and environmentally responsible;

- Suppliers with a harmonious and mutually beneficial business relationship; and

- Employees with a work environment that is safe, innovative, dynamic and rewarding.

CORE VALUES

The core values of The Gleaner which enable it to achieve its mission are:

1. The Company values its position as the premier source for Jamaicans at home and abroad to obtain credible content of the highest quality. Credible content is the cornerstone of the Gleaner's reputation and the means by which the Company fulfills its mandate to readers and the wider community.

2. The Gleaner is committed to fostering a newsroom which is responsive to the queries and concerns of readers without compromising on editorial integrity.

3. The Gleaner believes that a stimulating and safe work environment, which is in line with modern technological trends for a multimedia business and which fosters individual self actualization, as well as team work, is important to the maintenance of motivated, well-trained and contented employees.

4. The Company believes that its advertisers are an integral part of the sustainability of the Gleaner group and are indispensable partners in the group's continued viability.

5. Good corporate citizenship and the promotion of corporate transparency are characteristics that should be synonymous with the Gleaner brand.

PRINCIPLES AND GUIDELINES

The Gleaner's Board of Directors (the Board), acting on the recommendation of the Corporate Governance & Nomination Committee, has adopted the following corporate governance principles and guidelines to guide the Company and its subsidiaries in carrying out their responsibilities.

A. DIRECTORS

A.1. THE BOARD

Principle

The Company shall be led by an effective Board, which is collectively responsible for promoting the success of the Company by directing and overseeing the Company's affairs.

Guidelines

A.1.1 The Board will:

I. Provide leadership by setting the corporate policies and strategic aims of the Company and monitoring the achievement of same.

II. Ensure that the necessary financial and human resources are in place for the Company to meet its objectives.

III. Set the Company's values and standards and ensure that its obligations to its shareholders and other stakeholders are understood and met.

IV. Scrutinize the performance of management with regards to meeting agreed goals and objectives, and monitor the reporting of performance.

V. Decide on and approve matters to include:

   i. Major funding proposals, investments, acquisitions and divestments including the group's commitments in terms of capital and other resources;

   ii. Annual budgets and financial plans of the Company;

   iii. Internal controls and risk management strategies and execution; and

   iv. Appointment of directors including the Managing Director

A.1.2. All directors are expected to:

I. Take decisions objectively in the interest of the Company.

II. Attend board meetings regularly and prepare for, and participate actively, in meetings.

III. Attend annual general meetings of the Company.

A.1.3. Where directors have concerns, which cannot be resolved, about the way in which the Company is being run or about a course of action being proposed by the Board, they should ensure that their concerns are recorded in the Board minutes. Where a non-executive director resigns because of such concerns, a written statement should be provided to the chairman for circulation to the Board.

A.1.4. The Company will arrange appropriate insurance cover in respect of legal action against its directors in the discharge of their duties as directors.

A.2. CHAIRMAN AND CHIEF EXECUTIVE

There should be a clear division of responsibilities at the head of the Company between the running of the Board (the chairman) and the executive responsibility of running the Company's business (the managing director or MD). No one individual should have unfettered powers of decision.

Guidelines

A.2.1. The division of responsibilities between the chairman and the MD should be clearly established, set out in writing and agreed by the Board.

A.2.2. The annual report should clearly identify the chairman, the managing director and the chairpersons and members of all committees of the Board. It should also disclose the number of meetings of the Board and Board committees as well as individual attendance by directors.

A.2.3. The chairman is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role, and setting its agenda. The chairman is also responsible for ensuring that the directors receive accurate, timely and clear information. The chairman should ensure effective communication with the Company's management and shareholders. The chairman should also facilitate the effective contribution of non-executive directors and ensure constructive relations between executive and non-executive directors.

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A.3. BOARD COMPOSITION BALANCE AND INDEPENDENCE

Principle

The Board should include a balance of non-executive directors of sufficient calibre and number for their views to carry significant weight in the Board's decisions. Non-executive directors should comprise not less than one-half of the Board.

Guidelines

A.3.1. The Board should be of sufficient size that the balance of skills and experience is appropriate for the requirements of the business and that changes to the Board's composition can be managed without undue disruption.

A.3.2. There should be a balance of independence, skills, knowledge, experience and perspectives among directors. All directors should bring an independent judgment to bear on issues of strategic performance and resources including key appointments and standards of conduct.

A.3.3. To ensure that independent, balanced and objective decisions are made by the Board, there should be a strong presence on the Board of both executive and non-executive directors with at least half the Board, excluding the chairman, being non-executive directors, of whom at least two-thirds should have been determined by the Board to be independent.

A.3.4. The Board should identify in the annual report each non-executive director it considers to be independent.

In determining whether a Board member is "independent" the Board should consider whether there are circumstances which are likely to affect, or could appear to affect, a director's judgment and thereby independence. The Board should state its reasons if it determines that a director is independent, notwithstanding the existence of any such relationships or circumstances which may appear relevant to its determination, including if the director:

i. has been employed to the Company within the last three years;

ii. has, or has had, within the last three years, a material business

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relationship with the Company either directly, or as a partner, major shareholder, director or senior executive of a body that has had such a relationship with the Company;

iii. has direct family ties with any of the Company's directors, senior executive, or any of the Company's advisors;

iv. has participated or participates in the Company's share option, or any of the Company's performance-related pay schemes within the last three years;

v. has received or receives from the Company, remuneration additional to a director's fee; or

vi. represents a significant shareholder in the Company.

A.4. APPOINTMENTS TO THE BOARD

Principle

There should be a formal, rigorous and transparent procedure for the appointment of directors to the Board.

Guidelines

A.4.1. The maximum number of directors shall be in keeping with the Company's Articles of Incorporation.

A.4.2. There should be a Corporate Governance and Nomination committee which, inter alia, should lead the process for Board appointments and make recommendations to the Board. A majority of members of the Corporate Governance and Nomination committee should be independent, non-executive directors. The chairman of the Board or an independent non-executive director should chair the committee.

A.4.3. Before making an appointment, the Corporate Governance and Nomination committee shall evaluate the balance of skills, knowledge and experience on the Board and, in light of this evaluation, prepare a description of the capabilities required for a particular appointment.

A.4.4. The letter of appointment of new directors shall set out the expected time commitment. The candidates for election as non-executive directors on the Board should submit their written consent to be elected and confirmation of their understanding of the duties they assume in case of election, and consent to conform to any code of conduct approved by the Board. Their material interests and commitments should also be disclosed to the Board before appointment, with a broad indication of the time involved and the Board should be informed of subsequent changes.

A.4.5. The Board should set out to shareholders why they believe an individual should be elected as a non-executive director and how he or she meets the requirements of the role.

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A.4.6 The Corporate Governance and nomination committee should review annually the performance of all non-executive directors in assessing whether they have effectively discharged their duties. If the non-executive director is offered a directorship on another Board, the chairman of the Corporate Governance and Nomination committee should be informed before any new appointments are accepted and the Board should be informed of any potential conflicts of interest.

A.5. INFORMATION AND DIRECTORS' TRAINING

Principle

The Board should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. New directors should receive a comprehensive induction to the Company affairs on joining the Board and all directors should continually update and refresh their skills and knowledge.

Guidelines

A.5.1 The chairman is responsible for ensuring that the directors receive accurate, timely and clear information. Management has an obligation to provide such information but directors should seek clarification or amplification where necessary.

A.5.2. The Board should ensure that directors, especially non-executive directors, have access to independent professional advice, at the Company's expense, where they judge this necessary in order to discharge their responsibilities as directors.

A.5.3 All directors should have access to the impartial advice and services of the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the chairman, the Company Secretary's responsibilities include facilitating the induction of new directors and directors training; ensuring good information flows within the Board, its committees and between non-executive directors and senior management; and assisting the chairman of the Board in organising the Board's activities (including: providing information, preparing an agenda, reporting on meetings, evaluations and training programmes).

A.5.4 Both the appointment and the removal of the Company Secretary should be a matter for the Board as a whole on the recommendation of the chairman.

A.5.5 It is the responsibility of the chairman to ensure that new directors receive comprehensive, formal and tailored induction to the Company's affairs on joining the Board. This may include, amongst other things, meeting with the Company's senior executives and major investors.

A.5.6. The chairman should ensure that directors receive periodic training to enable them to continually update the skills and knowledge required to fulfill their roles both on the Board and on Board committees.

A.6. PERFORMANCE EVALUATION

Principle

The Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.

Guidelines

A.6.1. Performance evaluation of the Board, its committees and its individual directors should be undertaken at least once a year. The evaluation should facilitate discussion of how the Board and its committees function as groups and with the senior management of the Company. The Corporate Governance and Nomination Committee will propose the format for each annual evaluation.

A.6.2. The Board should act on the results of the performance evaluation by recognising the strengths and addressing the weaknesses of the Board and, where appropriate, appointing new members to the Board or seeking the resignation of directors.

A.6.3. It is the duty of the chairman in consultation with the Compensation Committee, to evaluate the performance of the Managing Director, once a year, and report to the Board on same.

A.6.4. The Board should state in the annual report, whether performance evaluations of the Board are taking place and how they are conducted.

A.7. SUCCESSION

Principle

The Board should put in place plans to ensure seamless succession of directors and senior management whenever a vacancy arises.

Guidelines

A.7.1. The Board should satisfy itself that plans are in place for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board.

A.7.2. Recognizing the critical importance of executive leadership to the success of the Company, the Board will work with senior management to ensure that effective plans are in place for both short-term and long-term management succession. As part of this process, senior management will make periodic reports to the Board on succession planning.

A.7.3. When required, the Board will evaluate potential successors to the chairman and the managing director.

A.8. RE-ELECTION

Principle

All directors should be submitted for re-election at regular intervals, subject to continued satisfactory performance. The Board should ensure planned and progressive refreshing of the Board.

Guidelines

A.8.1 All directors should be subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter, at intervals in keeping with the Company's Articles.

A.8.2 Before proposing re-election, the chairman should confirm, based on the result of performance evaluation that the Board is satisfied that a non-executive director continues to contribute effectively and demonstrates commitment to the role.

A.9. CONFLICTS OF INTEREST

Principle

The Board should put in place systems to enhance transparency and to avoid the appearance of directors of the Company benefitting from the Company -or vice versa- because of their directorships/positions on the Board.

Guidelines

A.9.1. A director who has a personal interest in any transaction with the Company which could create or appear to create a conflict of interest must disclose any such interest as soon as they arise, or as soon thereafter as possible.

These transactions would include but are not limited to:

i. Any interest in contracts or proposed contracts with any entity in the Gleaner group

ii. Transactions involving securities held in The Gleaner group

iii. Emoluments received by the director from The Gleaner group

iv. Loans or guarantees granted by The Gleaner group to/for the Director

v. Charitable contributions by the Gleaner to organisations in which a Director serves on the Board or as an employee

A.9.2. Disclosure shall be made in writing to the chairman for presentation to the Board at the next meeting, or at the first opportunity at a Board Meeting, in which case such disclosure shall be recorded in the minutes of the

Board Meeting. The director shall then offer to recuse himself or herself from the Board's deliberations over any such contract and in any event shall not vote on any such issue. The disclosure of a director's interest shall include interests of his/her immediate family and business partners.

B. REMUNERATION

B.1. BOARD COMPENSATION

Principle

The levels of compensation of directors should reflect the time, commitment and responsibilities of the role. It consists of a package appropriate to attract, retain and motivate directors of the quality required. The compensation should be competitive and subject to periodic review.

Guidelines

B.1.1. To avoid potential conflicts of interest, the Board of directors should set up a compensation committee of non-executive directors to make recommendations to the Board, within agreed terms of reference, on the Company's framework of executive remuneration and its cost; and to determine on the Company's behalf, specific remuneration packages for each executive director.

B.1.2. The Compensation Committee should judge where to position the Company relative to other companies. The Compensation Committee should be sensitive to all variables, including pay and employment conditions elsewhere in the group, especially when determining annual salary increases.

B.1.3. The Board itself or, where required by the Articles of Incorporation, the shareholders, should determine the remuneration of the non-executive directors, within the guidelines set out in the Articles of Incorporation.

B.1.4. The Compensation Committee should consult the chairman and/or managing director about their proposals relating to the remuneration of other executive directors and have access to professional advice inside and outside the Company.

B.1.5. The Board should report to the shareholders each year on remuneration of the Company's executives and directors. The report should form part of, or be annexed to, the Company's annual report and accounts.

B.1.6. Apart from their compensation, directors shall be reimbursed for all reasonable costs incurred in connection with their attendance of meetings.

C. RELATIONS WITH SHAREHOLDERS

C.1. ANNUAL GENERAL MEETING (AGM)

Principle

The Board shall use the AGM as a major opportunity to inform shareholders and investors on the Company's affairs and encourage their participation. The Board should ensure that shareholders are provided with sufficient information for the AGM to make well-informed decisions on issues put for voting at the AGM.

Guidelines

C.1.1. The frequency of the AGMs shall be determined, having regard to the Articles of the Company, at such time and place as the Directors shall appoint.

C.1.2. The Board shall use the AGM as a major opportunity to inform shareholders and investors of the Company's affairs and to encourage their participation. The Board shall ensure that shareholders are provided with sufficient information in order to make well-informed decisions on issues put for voting at the AGM.

C.1.3. The Company should arrange for the Notice of the AGM and related papers, including the Company's annual report to be sent to shareholders within the time frame set out in the Company's Articles of Incorporation.

D. ACCOUNTABILITY AND AUDIT

D.1. FINANCIAL REPORTING

Principle

The Board should ensure that the Company provides its shareholders and investors with information that presents a balanced and understandable assessment of the Company's financial position and business prospects.

Guidelines

D.1.1. The Board should ensure that the Annual Report includes a clear description of the Company's business prospects; financial accounts and a statement by the auditors on the Company as a going concern and the integrity of the financial accounts.

D.1.2. The Board's responsibility to present a balanced and understandable assessment of the Company's affairs extends to interim and other price sensitive public reports and reports to regulators as well as to information required to be presented by statutory requirements.

D.2. Internal Control /Audit Committee/ Auditors

Principles

The Board should ensure that a sound system of internal control and risk management is maintained to safeguard shareholders' investment and the Company's assets.

The Board should establish an Audit Committee. The Board should establish formal, rigorous and transparent arrangements for selecting independent auditors and ensure that the independent auditors conduct thorough checks of the Company's financial accounts, application of financial reporting standards and efficiency of internal control mechanisms. The Board must maintain an appropriate relationship with the Company's auditors.

E. BOARD COMMITTEES

E.1. BOARD COMMITTEES

Principle:

To ensure that specific issues are subject to in-depth and timely review, certain functions have been delegated to various Board committees, which would submit their recommendations or decisions to the Board. The Board committees are: Audit committee, Compensation Committee and the Corporate Governance and Nomination Committee. Each of these Board Committees has its own terms of reference.

Guidelines

E.1.1. <u>The Audit Committee</u> - The Board shall establish an Audit Committee with responsibilities set out in the terms of reference agreed by the Board.

Guidelines

The Audit Committee shall be comprised of five members of the Board, at least two of whom shall be independent directors. The quorum for each meeting is three (3). Each member of the committee shall be financially literate as defined by applicable guidelines and the Board. At least one member shall have expertise in financial reporting. The Audit Committee shall meet at least three (3) times per year.

The Audit Committee shall have oversight responsibility for monitoring and reviewing: -

I. The Company's financial performance and the integrity of the financial statements of the Company;

II. The Company's compliance with relevant reporting requirements;

III. Any formal financial announcements relating to the Company's financial performance;

IV. The external auditor's independence, objectivity and the effectiveness of the audit process, taking into account relevant international and Jamaican professional and regulatory requirements;

V. The process by which the external auditor is appointed; making recommendations to the Board about this process and approving the remuneration and terms of engagement of the external auditor. Such recommendations must take cognizance of the supply of non-audit services provided to the Company by the external auditor, which could lead to conflict of interest and impair the external auditor's independence;

VI. The Audit Committee should have primary responsibility for making a recommendation on the appointment, re-appointment and removal of the external auditor. If the Board does not accept the Audit Committee's recommendation, it should include in the annual report, and in any papers recommending appointment or re-appointment, a statement from the Audit Committee explaining the recommendation and should set out reasons why the Board has taken a different position;

VII. The financial objectives of the Company and recommending to the Board, the group's five-year plan and annual operating and capital budgets;

VIII. The Company's internal financial control system and, the Company's internal control and risk management systems;

IX. The effectiveness of the group's system of internal controls and risk management;

X. The effectiveness of the Company's internal audit function;

XI. A separate section of the annual report should describe the work of the committee in discharging those responsibilities;

XII. The Audit Committee should review arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The Audit Committee's objective should be to ensure that arrangements are in place for the appropriate and independent investigation of such matters and for appropriate follow-up action.

E.1.2. ***<u>Compensation Committee -</u>*** The Board shall establish a Compensation Committee with responsibilities set out in the terms of reference agreed by the Board. The Committee shall comprise not more than four non-executive directors of the Board, two of whom shall be independent. The quorum for each meeting shall be three (3). The Committee shall meet at least twice per year.

E.1.3. ***<u>Corporate Governance and Nomination Committee -</u>*** The Board shall establish a Corporate Governance and Nomination Committee with responsibilities set out in the terms of reference agreed by the Board. The Committee shall be comprised of not less than three (3) members of the Board, all of whom shall be non-executive directors and the majority of whom shall be independent. The quorum for each meeting shall be two (2). The Committee shall meet as often as required and at least twice per year.

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Committee members and chairs will be appointed by the Board upon recommendation of the Corporate Governance and Nomination Committee. The Board has no set policy for the regular rotation of committee members or chairs; rather the Corporate Governance and Nomination Committee and the Board will review committee membership and chair positions, with consideration of the desires of individual directors and with the objective of having a blend of continuity and fresh perspectives on each committee.

Each committee shall have its own terms of reference that has been approved by Board and which the Board may amend from time to time. The terms of reference will set out the purposes and responsibilities of the committees, as well as qualifications for committee membership, procedures for committee members' appointment and removal, committee structure and operations and committee reporting to the Board.

The chair of each committee, in consultation with the other members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's terms of reference. The chair of each committee, in consultation with the appropriate members of the committee, will develop the agenda for each committee meeting.

F. REVIEW OF CORPORATE GOVERNANCE CODE

1. The Gleaner Company Limited Corporate Governance Code shall be submitted to the Jamaica Stock Exchange, on which the Company is listed, and the Exchange shall be advised of any changes to the Code.

2. The Code is to be reviewed at least every two years and the outcome of the review advised to the Jamaica Stock Exchange.

3. The Code is to be made available to the public through the Company's website and the Company's annual report shall indicate that the Code is available on the Company's website.