



**DIVIDEND POLICY AND  
DIVIDEND  
REINVESTMENT PLAN**



## **SAGICOR GROUP JAMAICA LIMITED**

### **DIVIDEND POLICY AND DIVIDEND REINVESTMENT PLAN**

#### **Introduction**

The Board of Directors of Sagicor Group Jamaica Limited recognizes the importance of dividends to its shareholders as well as the need to retain adequate capital to support its operations. To this extent, a dividend payout rate will be determined in keeping with this philosophy and shall be within the sole discretion of the Board of Directors while complying with all capital adequacy requirements.

Notwithstanding the foregoing, the Board of Directors may not declare or pay a dividend or make a distribution out of contributed surplus if there are reasonable grounds for believing that Sagicor is, or would after the payment be, unable to pay its liabilities as they become due or that the realizable value of Sagicor's assets would thereby be less than its liabilities.

#### **DIVIDEND PAY OUT RATE**

Sagicor has determined that an annual dividend of up to 40% of audited net profits for the year and paid quarterly will meet the objectives stated above and which dividends will be paid out of the retained earnings of the company at such frequency as determined by the Board of Directors in its sole discretion.

This rate is subject to review by the Directors from time to time based on any regulatory and economic considerations.

The dividends declared will be subject to an amount which preserves the regulatory minimum required capital and solvency measures prescribed by the regulatory authorities based on current and expected changes in the business and regulatory environment. The general annual payout, determined and paid quarterly, shall be based on percentage of the net profit for the year.

In the event that the dividend payout is less than 40% of the audited net profit in any one year, the Board of Directors reserves the right to increase future distributions. The Board may, at its discretion, distribute the full amount of any and all realized gains arising from non-recurring or extraordinary transactions and any retained earnings in excess of expected capital needs.”.

#### **SCOPE**

This policy is consistent with and should be read in conjunction with policies governing the liquidity and capital management activities and guidelines of the organization.

The Dividend Policy will be reviewed at least annually.