



First Citizens




INTEGRITY

Banking Transparency

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ANNUAL REPORT **2019**



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INFORMATION
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Corporate Information and Profile of Subsidiaries

First Citizens Bank Limited

BOARD OF DIRECTORS

Anthony Isidore Smart – Chairman
 Courtenay Williams – Deputy Chairman
 Franka Costelloe
 Ryan Proudfoot
 Ian Narine
 Savitree Seepersad
 Jayselle McFarlane
 Troy Garcia
 Idrees Omardeen
 David Inglefield
 Ingrid Melville

Group Corporate Secretary

Lindi Ballah-Tull
 LLB, LEC

Registered Office

9 Queen's Park East,
 Port of Spain, Trinidad, W.I.
 Tel: (868) 624-3178
 Fax: (868) 624-5981
firstcitizenstt.com

Auditor

PricewaterhouseCoopers
 11-13 Victoria Avenue,
 Port of Spain, Trinidad, W.I.

First Citizens Depository Services Limited

(formerly First Citizens Asset Management Limited)
 (name change effective December 12, 2018)

BOARD OF DIRECTORS

Courtenay Williams – Chairman
 Jayselle McFarlane – Deputy Chairman
 Troy Garcia
 Idrees Omardeen
 Jason Julien
 Robin Lewis

*Karen Darbasie resigned as a Director of First Citizens Depository Services Limited on December 10, 2018.

Registered Office

50 St. Vincent Street,
 Port of Spain, Trinidad, W.I.
 Tel: (868) 623-9091-7
 (868) 625-8115-8
 Fax: (868) 625-2349
 (868) 624-8937
firstcitizenstt.com

Corporate Information and Profile of Subsidiaries

First Citizens Trustee Services Limited

BOARD OF DIRECTORS

Franka Costelloe – Chairperson
Courtenay Williams
Ian Narine
Ingrid Melville
David Inglefield
Sterling Frost
Brian Woo
*Richard Look Kin

*Richard Look Kin replaced Lindi Ballah-Tull as a Director of First Citizens Trustee Services Limited on August 22, 2019.

Registered Office

45 Abercromby Street,
Port of Spain, Trinidad, W.I.
Tel: (868) 623-9091-7
(868) 625-8115-8
Fax: (868) 627-6426
firstcitizenstt.com

First Citizens Portfolio and Investment Management Services Limited

(formerly First Citizens Securities Trading Limited)
(name change effective April 9, 2018)

BOARD OF DIRECTORS

Anthony Isidore Smart – Chairman
Ian Narine
Ryan Proudfoot
*Karen Darbasie
Shiva Manraj

*Karen Darbasie was appointed as a Director of First Citizens Portfolio and Investment Management Services Limited on December 10, 2018.

Registered Office

1st Floor, 45 Abercromby Street,
Port of Spain, Trinidad, W.I.
Tel: (868) 624-3178
Fax: (868) 624-5981
firstcitizenstt.com

First Citizens Financial Services (St. Lucia) Limited

BOARD OF DIRECTORS

Courtenay Williams – Chairman
Dunstan Duboulay
Karen Darbasie
Shiva Manraj
Sana Ragbir

Registered Office

Noble House, 6 Brazil Street,
Castries, St. Lucia, W.I.
Tel: (758) 452-5111-3
Fax: (758) 452-5114

First Citizens Investment Services Limited

BOARD OF DIRECTORS

Anthony Isidore Smart – Chairman
Ryan Proudfoot
Ian Narine
Troy Garcia
Idrees Omardeen
Jayselle McFarlane
David Inglefield
Karen Darbasie
Sterling Frost
Nicole De Freitas

Registered Office

17 Wainwright Street,
St. Clair, Trinidad, W.I.
Tel: (868) 622-3247
Fax: (868) 627-5496
firstcitizensinvestment.com

Corporate Information and Profile of Subsidiaries

First Citizens Brokerage & Advisory Services Limited

BOARD OF DIRECTORS

Ryan Proudfoot – Chairman
Idrees Omardeen
Jason Julien
Robin Lewis

Registered Office

17 Wainwright Street,
St. Clair, Trinidad, W.I.
Tel: (868) 622-3247
Fax: (868) 627-5496
firstcitizensinvestment.com

First Citizens Investment Services (Barbados) Limited

(ceased operations on July 1, 2019 - operations converted to a Branch of FCIS with effect from July 1, 2019)

BOARD OF DIRECTORS

Ryan Proudfoot – Chairman
Sir Trevor A Carmichael
David Inglefield
Franka Costelloe
Jason Julien
Sterling Frost

Registered Office

One Welches,
St. Thomas, Barbados, W.I.
Tel: (246) 417-6810
Fax: (246) 421-2140
firstcitizensinvestment.com

First Citizens Bank (Barbados) Limited

BOARD OF DIRECTORS

Anthony Isidore Smart – Chairman
Sir Trevor A Carmichael
Peter Williams
Ryan Proudfoot
Jon Martineau
David Inglefield
Franka Costelloe
Wayne Kirton
Gregory Hinkson
Karen Darbasie
Jason Julien

Registered Office

4th Floor,
No. 2 Broad Street,
Bridgetown, Barbados, W.I.
Tel: (246) 431-2353
Fax: (246) 430-0221
firstcitizensbb.com

FCCR – First Citizens Costa Rica S.A.

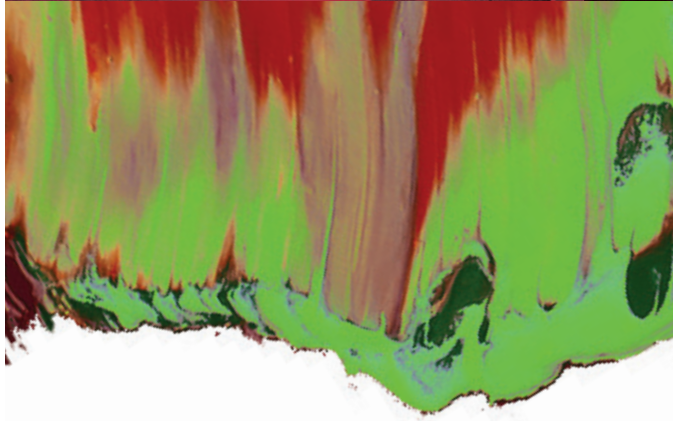
BOARD OF DIRECTORS

Anthony Isidore Smart – President
Ian Narine
Lindi Ballah-Tull
Ingrid Melville
Kurt Valley

Registered Office

Oficentro Eurocenter 1,
Barreal de Heredia, Costa Rica
Tel: (506) 223-95581
Fax: (506) 223-95860
firstcitizenstt.com

CHAIRMAN'S
REPORT



Group Performance

I am once again pleased to announce that the First Citizens Group had another successful year, recording profit before tax of \$1.06 billion; a growth of 5.2% when compared to 2018. Significant contributors to this result were top line growth and a reduction in our impairment allowance. Profit after tax (PAT) amounted to \$752 million, which represents an increase of \$78 million or 11.6%, as compared to 2018. The Group benefitted from an overall lower tax rate owing to a reduction in Barbados' corporation tax; moving from 30% to a range between 1% and 5%.

Total assets as at September 2019 amounted to \$43.4 billion, an increase of 3.2% when compared to September 2018. This growth was in part driven by growth in Customer Loans and Advances portfolios of 16.3%; and Investments of 4.9%. Customer Deposits increased by 1.4% to \$25.8 billion.

As a result of these financial achievements, on December 9, 2019, the Board of Directors declared a final dividend of \$0.49 per share, which brings the total dividend for the fiscal year to \$1.70, an increase of 6.25% when compared to 2018. This final dividend will be paid on January 3, 2020, to all shareholders on record as at December 19, 2019.

These accomplishments were underscored by Standards and Poor's investment rating of BBB/A-2 for First Citizens, issued in October 2019. Our ratings are now in line with the sovereign and based primarily on our sound corporate banking, solid operating revenue and sound capitalisation ratios.

Additionally, the Bank has been awarded the highest ranking of Companies in a 2019 Corporate Governance Study conducted by The University of the West Indies, Arthur Lok Jack Global School of Business (UWI-ALJGSB) for compliance with the Trinidad and Tobago Corporate Governance Code.

International Overview and Outlook

The global economy remained sluggish in 2019, as global trade policy and higher tariffs dampened business confidence and inhibited economic activity. As the world's two largest economies continue to grapple with settling its trade disputes, investments and demand for capital goods have been adversely impacted. However, the services sector continues to perform well, keeping labour markets buoyant and wage growth relatively healthy in advanced economies.

Economic growth in the US is expected to slow in 2019 and 2020 impacted by heightened trade tensions and slowing momentum in the global economy. Wider budget deficits and a higher debt/GDP ratio are expected in the next few years due to expected tax cuts, amid the continued pace of expenditure. In the Euro area, economic growth has been threatened by weak exports and continuing Brexit-related uncertainty. China's economic growth tapered, owing to tariff concerns stemming from the US/China trade war and slowing domestic demand. In a few major economies, including India, Brazil, Mexico, Russia and South Africa, growth in 2019 is sharply lower than in 2018, for country-specific reasons, but is expected to recover in 2020.

In Europe, the European Central Bank (ECB) has been struggling to improve economic conditions with historically low and negative interest rates. Several large economies in the Euro area are projected to register low growth in 2020 such as Germany (0.7%), France (1.1%), Italy (0.4%) and the United Kingdom (UK) (1.1%). The recently appointed ECB president, Christine Lagarde, highlighted the need for an appropriate blend of fiscal and monetary policies to foster economic growth and sustainability in the Euro area. Risks to growth in the Euro area which stem from increased global political uncertainty include ongoing Brexit negotiations between the government and parliament of the UK. Real GDP growth of smaller economies in the Euro area will continue to outperform the larger economies in 2020, such as Poland (3.4%), Romania (3.1%), Hungary (3.0%) and Luxembourg (2.5%). Euro area growth is projected at 1.3% in 2020 and 1.5% in 2021 as countries heavily engaged in the manufacturing and construction sectors will benefit from lower energy prices.

According to the IMF, the Chinese economy is facing external headwinds and an uncertain environment. GDP growth decelerated to 6.6% in 2018, driven by required financial regulatory reforms and tempering external demand. Economic growth is projected to moderate to 6.2% in 2019 as planned policy stimulus partially offset the adverse impact of the tariff hike on USD 200 billion of Chinese exports to the US. The IMF notes that the strengthening of financial regulations and control over off-budget local government investment have reduced the pace of debt accumulation, helping contain the build-up of risks in the financial sector.

Regional

The Caribbean region experienced a slowdown in economic growth from 4.7% in 2018 to 3.3% in 2019;

however, a tentative pickup of 3.7% is expected in 2020, according to the IMF. Sluggish global growth, subdued commodity prices, and volatile capital flows remain key challenges to economic prospects within the region. Additionally, Venezuela's economic and humanitarian crisis, which has resulted in large inflows of refugees into the region, may have implications for the region.

Barbados Economic Overview and Outlook

Barbados' economic performance continues to reflect further strengthening of the public finances, reduced public sector indebtedness and a steady improvement in international reserves as the country continues to successfully implement its fiscal reforms. In October 2018, the government was able to restructure its local currency debt that significantly improved its fiscal position and restore some level of confidence. The agreement reached in October 2019 between the Government of Barbados and the external creditors committee further improved the outlook for debt and reduced uncertainty. The agreed terms will bring about an immediate reduction in public debt, with a 26% reduction on principal and accrued interest. The terms of the new instrument will assist Barbados in reaching its target of 60% debt/GDP by 2033. The Central Bank of Barbados has forecasted flat growth for 2019, and for the nine months to September 2019, the economy is estimated to have contracted by 0.2%. The Bank has improved the forecast for 2020 from 1.25% to 1.75% but the strength of recovery in 2020 relies heavily on the demand for tourism services and the pace of investment activity. New investment projects, mainly in tourism and energy are in the pipeline for 2020. Early implementation of these projects will raise the growth outlook.

Eastern Caribbean Overview and Outlook

Growth in the Eastern Caribbean (EC) will continue to be driven by the tourism sector as real GDP is projected to grow by an average of 3.1% and 3.6% in 2019 and 2020 respectively. Strong economic performance of the US and Canada continues to contribute positively to the tourism sector. Similarly, the construction sector contributed significantly to growth in the region due to increased reconstruction activity in the aftermath of major hurricanes in 2017. Lower energy

prices will benefit the EC as their member nations are oil importers. The Eastern Caribbean Central Bank (ECCB) has set a growth target of 5.0% for the region. Inflation remains significantly low at 0.03% in June 2019 year-on-year. On March 12, 2019, the ECCB launched the Digital EC Currency (DXCD). The DXCD is the first digital currency to be issued by a central bank within the Caribbean.

Costa Rica Economic Overview and Outlook

According to the Central Bank of Costa Rica (BCCR), the economy is showing signs of recovery due to four consecutive months of positive economic activity. In September 2019, the Monthly Economic Activity Index grew 2% year-on-year due to a strong performance in the agriculture and manufacturing sectors. Although real GDP growth slowed to 2.6% in 2018 from 3.4% in 2017, the economy has continued to show resilience to ongoing fiscal imbalances. Nevertheless, macroeconomic stability is increasingly vulnerable to heavy government borrowing and demand for foreign currency. Fitch Ratings expects growth forecasts to slow further in 2019 to 2.0% and 2.5% in 2020.

The overall fiscal deficit narrowed slightly but remains high at 6.0% of GDP in 2018 from 6.2% in 2017, helped by expenditure restraint and income from a tax amnesty. Public debt continued to rise rapidly, reaching 53.5% of GDP at end-2018, from 48.6% in 2017. The central government fiscal deficits will remain high above 6% of GDP until 2020.

The ongoing fiscal consolidation efforts will bode well for confidence in the economy, however it is expected to weigh on overall growth levels. The outlook presumes more negative risks ahead based on the possibility of a slowdown in the global economy, continued trade tensions, the developments in Nicaragua and delays in fully implementing fiscal reform measures. Currently, Costa Rica is B+ by S&P, with a negative outlook. The rating agency has noted that the outlook on the credit rating can be revised from negative to stable if the government is able to reduce its fiscal deficit, stabilise its debt burden, and contain interest costs. Further, effectively managing debt is crucial to reducing the adverse impact of interest rate and currency movements. A significant portion of Costa Rica's debt is denominated in foreign

currency, which raises the country's vulnerability to external shocks. The current negative outlook reflects an at least one-in-three chance of another downgrade in the next 6 to 24 months. The last downgrade was issued in December 2018.

Trinidad and Tobago's Economic Overview and Outlook

Real GDP is expected to grow by 0.4% in 2020 according to Fitch Ratings, due to subdued energy prices and despite the improvement in natural gas production. The construction sector will keep the economy buoyed in the short-term. Natural gas prices are projected to remain stable at around USD 2.44 per mmbtu in 2020; however, WTI oil prices are projected to decline on average to USD 55.85 per barrel in 2020 from an average of USD 58.10 per barrel in 2019. Projections suggest the decline in oil prices will continue throughout to 2022 with forecasts of USD 52.15 per barrel.

Labour market figures continue to lag as the most recent data from the Central Statistical Office reported the unemployment rate to be at 3.8% in June 2018. In 2019, retrenchments took place in a number of sectors including construction, energy, finance and transport. The closure of the Petrotrin Refinery contributed to a material number of workers being retrenched in 2018. In the government budget statement for fiscal year 2019/2020, the minimum wage rate was raised to TTD 17.50 from TTD 15.00. The manufacturing sector recorded an under-utilisation with capacity figures recorded at 63.5% for the first quarter of 2019 compared to 65.7% in the fourth quarter of 2018. Year-on-year capacity utilisation declined by 2.4% with the largest decline stemming from chemicals and non-metallic minerals at 17.4%.

Central government revenue continues to be driven by receipts from the energy sector and taxes such as Value Added Tax (VAT). Improvements in the collection of VAT assisted in the improvement of government revenues. Expenditure is expected to increase as spending on major public sector infrastructural projects is ramped up.

In September 2019, headline inflation stood at 1.1% along with core and food inflation recorded at 1.0% and 1.5% respectively. Core inflation remains driven by prices in the health, transportation and housing sectors. Food inflation is relatively low due to generally low global food prices and declines in the prices recorded for vegetables, dairy products and oils.

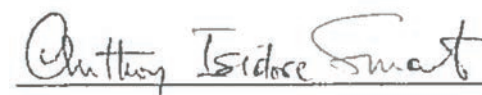
For the year, the Central Bank of Trinidad and Tobago (CBTT) maintained the repo rate at 5.00% following the 25bps increase in June 2018. Substantially low inflation rates, a slowdown in global economic growth, increased trade protectionism amongst large developed nations and the slow recovery of several sectors in Trinidad and Tobago prompted the CBTT to hold rates at that level.

On July 9, 2019, the country's credit rating was downgraded to BBB from BBB+ by S&P Global Ratings. The announcement by S&P attributed the downgrade to the country's weak resilience to external shocks and the expectation that the Government will be unable to post a balanced budget by the fiscal year 2020-2021.

Acknowledgements

On behalf of the Board of Directors, I would like to congratulate all management and staff of First Citizens on the positive performance of the Group. With their dedication to the First Citizens brand and commitment to our customers, the Group remains a beacon in the financial sector.

As we conclude the 26th year, I also wish to express my sincere gratitude to the customers, investors, shareholders, fellow directors and all other stakeholders for their invaluable contributions toward the continuing growth and achievements of the First Citizens Group.



Anthony Isidore Smart
Chairman



GROUP CHIEF EXECUTIVE OFFICER'S REPORT

Key Performance Highlights

The First Citizens Group continued to advance in performance and growth as exhibited in the following key performance indicators:

- Profit before tax increased by 5.2% from \$1.01 billion to \$1.06 billion
- Profit after tax increased by 11.6% from \$674 million to \$752 million
- Total assets increased from \$42.0 billion to \$43.4 billion
- Standard and Poor's investment grade rating of BBB/Stable/A-2
- Increase in our capital base by 8.0%, moving from \$6.6 billion to \$7.2 billion
- Qualifying capital to risk adjusted assets 40.63%

Overview of Performance

In addition to our excellent financial performance, we are pleased to report that we have received an investment grade rating of BBB/Stable/A-2 from international rating agency, Standard and Poor's. This was based primarily on our sound corporate banking, solid operating revenue and sound capitalisation ratios; making First Citizens one of the best rated indigenous banks in the English-speaking Caribbean. First Citizens' consistent performance over the past 26 years is substantiated by our stable market position as the second largest bank in Trinidad and Tobago. While the Group's efficiency ratio declined to 54.8% as compared to 47.2% in 2018; this was a direct result of operationalising strategic initiatives planned and implemented during this year.

One of the more significant of those initiatives was the streamlining of our Trustee Services, Asset Management, and Investment Services lines of business. The portfolio management operations for our Mutual Fund, Pension Plan and Private Portfolio clients were consolidated into the newly renamed First Citizens Portfolio and Investment Management Services Limited (FCPIMS), formerly known as First Citizens Securities Trading Limited. Our First Citizens Asset Management Limited has been rebranded as First Citizens Depository Services Limited (FCDSL) and is now tasked with the development of its custody, paying agency and investment operations lines of business. With this realignment, the subsidiaries can now focus on delivering on specific product lines to our customers, increasing synergies and improving overall efficiencies.

Another major project undertaken over the period was Activity Based Costing (ABC) for the upgrade of our Debit Card portfolio. The ABC costing provided a baseline that identified the relevant activities and cost drivers linked to the associated processes and roles of debit card utilisation. The outcome of this project aided with the development of business cases for many of the electronic solutions tested and implemented this past year.

Business Generation

For the financial year ended September 30, 2019, profit before tax increased to \$1.06 billion while profit after tax amounted to \$751.7 million. The Group's total assets amounted to \$43.4 billion as at year end, a 3.2% increase. The gross loan portfolio increased by 16.3% from \$16.0 billion to \$18.6 billion and the investments portfolio increased by 4.9% to \$15.9 billion from \$15.1 billion. The Group's funding base increased by 0.6% to \$33.0 billion. Our Non-performing loans (NPLs) ratio as at 2019 year end improved to 3.04% as compared to 3.33% in 2018.

First Citizens continues to leverage technology to satisfy the growing needs of our customers, to enhance our products and to achieve strategic objectives. Our electronic and digital banking platforms lead the way amongst our peers. Our products are top of the line and ahead of the competition with ever-evolving solutions for every situation. Our offerings this past year included the introduction of contactless card technology, the EMV Debit Card (Europay, Mastercard, Visa), real-time email notifications for credit card transactions, expanded contact centre services, a self-service Visa loyalty mobile app and debit card dispute online service. Recognising the increasing presence of cyber-threats, we have deepened our resilience strategies to include additional layers of security and protection against deep insert skimming.

Our position as the leader in technology afforded us new partnerships that provide ease of use and a quicker service flow for all citizens. This included a partnership with Massy Technology for a self-checkout service at the Massy supermarket chain. We were also able to facilitate a fully automated pay-to-park service at the car park kiosks at the Piarco International Airport.

Support Services

Our support services for 2019 focused on streamlining and centralisation of services, corporate governance and corporate social responsibility. The most notable event for the period was the opening of our Shared Services Campus. This repositioning amalgamates support units into one central location allowing for improved processing timelines, efficiency and quality service through specialisation and a single service model.

We have also improved our Information Technology Governance with the development of Enterprise Architecture principles; setting the stage for more efficient, nimble, scalable and robust services. This includes our new Human Resource Information System (HRIS) which will see our Human Resource functions fully digitised within the coming year. The new HRIS provides the benefits of cutting edge technology with minimal maintenance in line with international best practice.

Our corporate and social responsibility programmes continue to support in the spheres of sport, culture, youth development and education, the advancement of women and the environment. Some of the noteworthy projects we've engaged in across the region are listed later on in the annual report.

Subsidiaries

The Group's subsidiaries continued to perform well. Our Trustee Company realised a profit before tax of \$28.9 million. The First Citizens Investment Services Group contributed \$208.3 million and First Citizens Depository Services \$65.3 million profit before tax. The Wealth Management sector, defined as high net worth individuals and small institutions, crossed

TTD 1 billion in funds under management. These funds represent investments in the securities market and demonstrate our ability as a Group to offer a full range of financial services and products to our clients. We worked as local syndicate partner for financing for newly established Trinidad Petroleum Holdings Limited (TPHL) as well as for funding to deal with repayment of Bonds for Petrotrin due in August 2019. This was a significant transaction for the local entity and we were pleased to play our role in the financing. Our Barbados operation remained focused on compliance and continued support to clients within a difficult local economy. Barbados also had an extensive EMV upgrade via the ATMs and Point of Sale machines, as well as utilisation of contactless card technology.

Future Outlook

Our outlook remains cautiously optimistic as the local economy is expected to show GDP growth of 0.4% in 2020. The regional communities continue to experience challenges resulting in sluggish growth. Our efforts to stay on course centres on managing our expenses and adhering to robust risk management practices.

In closing, I would like to express my sincere appreciation to the Board, our employees, customers and all other stakeholders. Together, the First Citizens family will continue to make strides into new territories and business, solidifying our position in the banking community.



Karen Darbasie
Group Chief Executive Officer

Statement of Management Responsibility

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of First Citizens Bank Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at September 30, 2019, the consolidated income statement, consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act and the Financial Institution Act (FIA) 2008; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



Karen Darbasie
Group Chief Executive Officer
December 9, 2019



Shiva Manraj
Group Chief Financial Officer
December 9, 2019

Ten-Year Summary of Selected Financial Data (2010-2019)

TT\$ Mn

| As at September 30 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | Restated 2013 | Restated 2012 | 2011 | 2010 |
|--|--------|--------|--------|--------|--------|--------|------------------|------------------|---------|--------|
| Total Assets | 43,382 | 42,045 | 38,958 | 38,850 | 37,538 | 34,858 | 36,086 | 33,804 | 31,160 | 29,534 |
| Total Funding | 32,954 | 32,752 | 29,708 | 30,912 | 27,672 | 27,644 | 28,085 | 27,382 | 25,626 | 23,989 |
| Shareholders' Equity | 7,152 | 6,622 | 6,752 | 6,679 | 6,326 | 6,241 | 5,965 | 5,471 | 5,146 | 4,900 |
| Total Loans | 18,624 | 16,015 | 14,435 | 13,332 | 13,831 | 11,154 | 11,517 | 10,322 | 9,020 | 8,788 |
| Investments | 15,876 | 15,128 | 15,690 | 12,967 | 12,294 | 10,442 | 10,305 | 10,852 | 10,611 | 11,175 |
| Profit Before Tax | 1,063 | 1,010 | 876 | 817 | 791 | 773 | 745 | 714 | 688 | 671 |
| Profit After Tax | 752 | 674 | 642 | 637 | 630 | 627 | 609 | 446 | 718 | 627 |
| Non-Performing Loans/ Total Loans (%) | 3.04% | 3.33% | 2.70% | 3.89% | 3.39% | 4.54% | 4.25% | 4.56% | 4.55% | 1.16% |
| Efficiency Ratio (%) | 54.81% | 47.23% | 53.16% | 55.51% | 55.80% | 54.31% | 53.99% | 49.53% | 46.74% | 44.89% |
| Capital/Asset (%) | 16.5% | 15.7% | 17.3% | 17.2% | 16.9% | 17.9% | 16.5% | 16.2% | 16.5% | 16.6% |
| ROAA | 1.76% | 1.66% | 1.65% | 1.67% | 1.74% | 1.77% | 1.74% | 1.37% | 2.37% | 2.19% |
| ROAE | 10.92% | 10.08% | 9.56% | 9.80% | 10.03% | 10.27% | 10.65% | 8.40% | 14.29% | 13.94% |
| Effective Tax Rate | 29.26% | 33.27% | 26.71% | 22.03% | 20.30% | 18.94% | 18.26% | 37.54% | -4.36% | 6.56% |
| Marginal Increase in Tax | -4.01% | 6.56% | 4.68% | 1.73% | 1.35% | 0.69% | -19.28% | 41.90% | -10.92% | -4.55% |

Directors' Report

Statement of the Board of Directors of First Citizens Bank Limited in accordance with Section 37(1) (b) of the Financial Institutions Act, Chapter 79:09 of the Revised Laws of the Republic of Trinidad and Tobago.

The Directors present herewith the annual report and financial statements for the year ended September 30, 2019.

PRINCIPAL ACTIVITIES

The First Citizens Group (defined as First Citizens Bank Limited (the “Bank”) and its subsidiaries) conducts a broad range of banking and financial services activities including retail banking, corporate and commercial banking, investment banking, trusteeship and asset management. The Bank, a publicly listed company, is a subsidiary of First Citizens Holdings Limited, a company which is beneficially owned by the Government of the Republic of Trinidad and Tobago.

REGULATION

The Bank is licensed under the Financial Institutions Act, Chapter 79:09 of the Revised Laws of the Republic of Trinidad and Tobago and is regulated under the laws and regulations of the Central Bank of Trinidad and Tobago, the Trinidad and Tobago Securities and Exchange Commission, the Trinidad and Tobago Stock Exchange and other applicable rules, laws and regulations.

FUTURE DEVELOPMENTS

The First Citizens Group will continue to focus on its core range of services over the next financial year. We intend to strengthen our brand by enhancing the customer experience.

The Bank has undertaken a number of initiatives in keeping with the Principles and Recommendations of the Corporate Governance Code (CG) 2013 and these are set in the Governance section of this report.

ACHIEVEMENTS

The Group's total assets stood at \$43.4 billion as at the end of September, 2019. Profit before tax increased by 5.2% to \$1,062.8 million in 2019 as compared to \$1,010.0 million in the previous year. The profit after tax amounted to \$751.7 million, as compared to \$673.7 million in 2018. Total Shareholders' Equity recorded was \$7.15 billion.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge and belief:

- a) In the preparation of the Annual Financial Statements, the applicable International Financial Reporting Standards have been followed and there have been no material departures from these standards.
- b) That the risk management systems and internal controls are adequate for managing the company's risk and are being properly applied.
- c) The annual financial statements have been prepared on a going concern basis.

Directors' Report

DIRECTORS, SENIOR OFFICERS AND SUBSTANTIAL INTEREST

Below are the details of shareholdings of Directors and Senior Officers with an interest in the Bank as at September 30, 2019, together with the shareholdings of their connected parties and our ten (10) largest shareholders.

| Director/Senior Officer | Ordinary Shareholdings | Connected Parties |
|-------------------------|------------------------|-------------------|
| Troy Garcia | 2,373 | |
| Franka Costelloe | 390 | |
| Karen Darbasie | 4,735 | |
| Jason Julien | 5,000 | |
| Sterling Frost | 1,000 | |
| Lindi Joy Ballah-Tull | 500 | |
| Richard Look Kin | 1,228 | 1,153 |
| Shiva Manraj | 25,000 | |
| Anthony St. Clair | 5,000 | |
| Robin Lewis | 23,228 | |
| Nicole De Freitas | 10,000 | |
| Sana Ragbir | 7,000 | 664 |

The ten (10) largest shareholders

| Name | Ordinary Shares | Percentage |
|---|-----------------|------------|
| First Citizens Holdings Limited | 161,946,890 | 64.43% |
| National Insurance Board of Trinidad and Tobago | 20,285,431 | 8.07% |
| T&T Unit Trust Corporation/FUS | 8,511,909 | 3.39% |
| First Citizens Employee Share Ownership Plan | 5,781,250 | 2.30% |
| Guardian Life of the Caribbean Limited | 2,646,418 | 1.05% |
| National Enterprises Limited | 1,592,395 | 0.63% |
| Republic Bank Limited – 1162 | 1,513,707 | 0.60% |
| RBTT Trust Limited – T964 | 1,349,576 | 0.54% |
| Tatil Life Assurance Limited | 1,175,731 | 0.47% |
| Colonial Life Insurance Co. (T'dad) Ltd. | 1,110,053 | 0.44% |

Directors' Report

ACKNOWLEDGEMENT

The Board of Directors takes this opportunity to express its sincere appreciation for the excellent support and co-operation received from all subsidiaries and the continued enthusiasm, dedication and efforts of the employees of the Group. We are also deeply grateful for the continued confidence and faith reposed in us by our stakeholders.

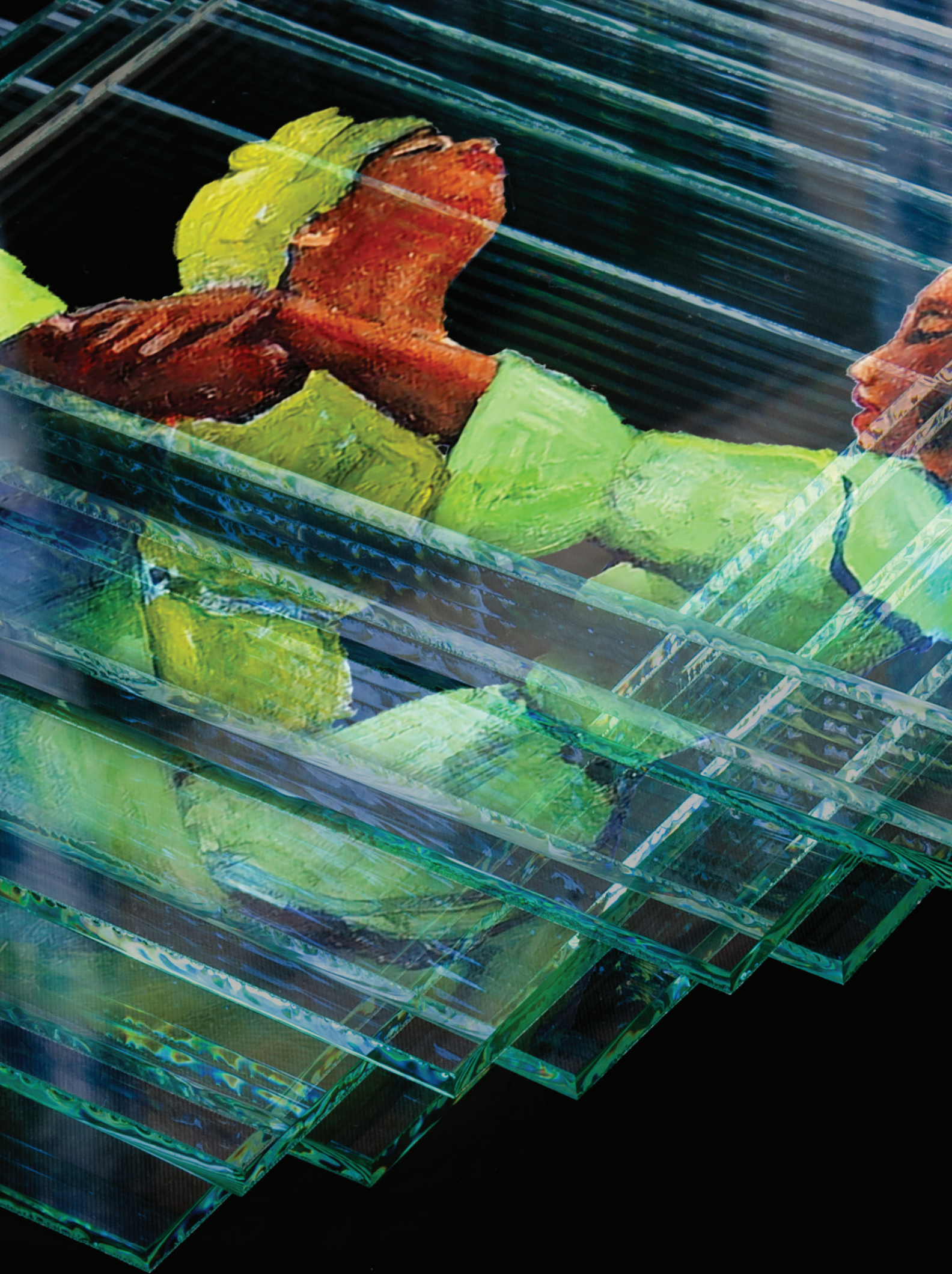
By order of the Board

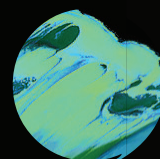
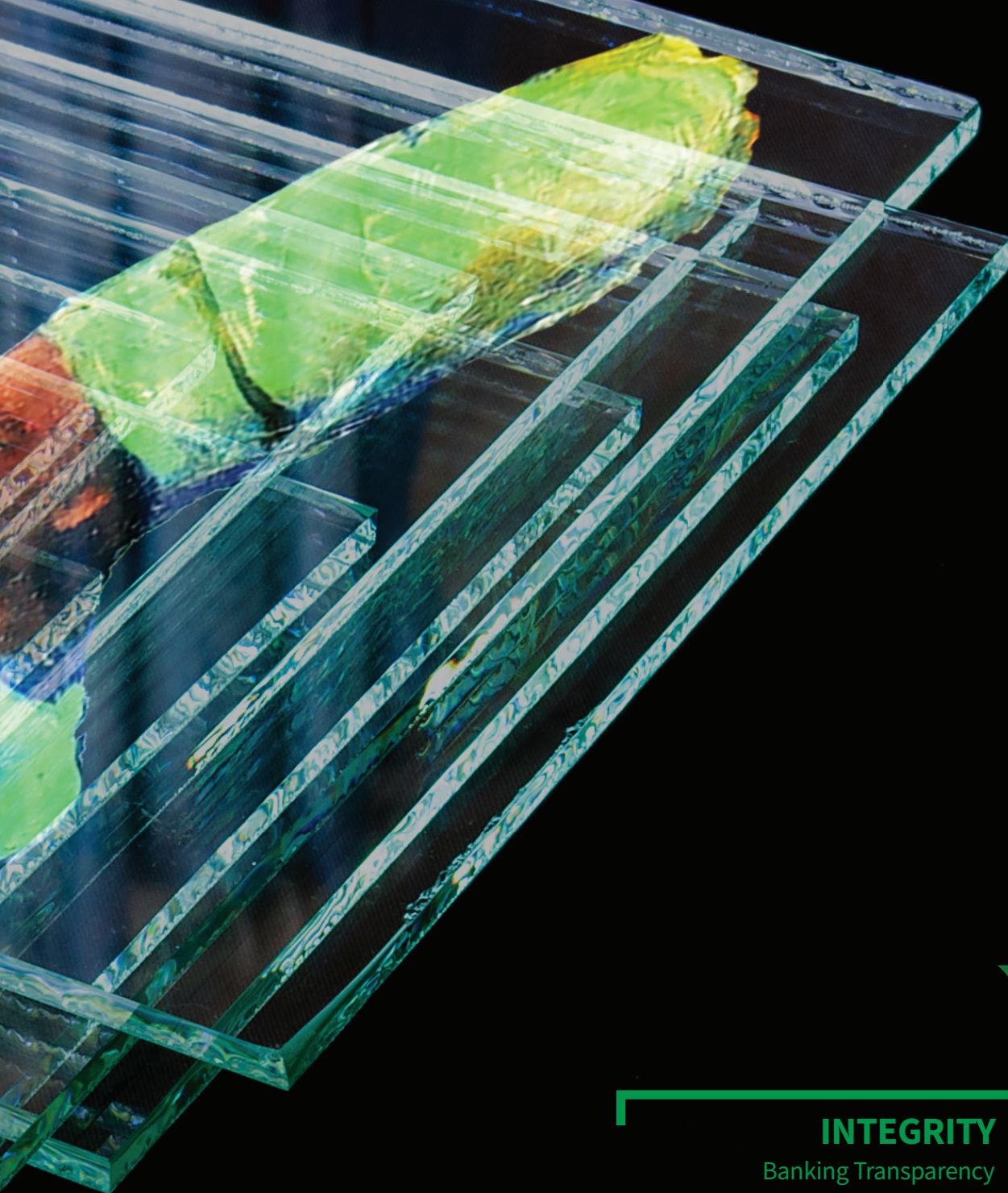
Lindi Ballah-Tull
Corporate Secretary

A handwritten signature in black ink, appearing to be 'Lindi Ballah-Tull', written over a horizontal line.

Anthony Isidore Smart
Chairman

A handwritten signature in black ink, appearing to be 'Anthony Isidore Smart', written over a horizontal line.





INTEGRITY

Banking Transparency

BOARD OF DIRECTORS

BOARD OF DIRECTORS



From left:

Jayselle McFarlane, Franka Costelloe, Anthony Isidore Smart – Chairman, Courtenay Williams – Deputy Chairman, Troy Garcia, Idrees Omardeen, Ingrid Melville, David Inglefield, Ryan Proudfoot, Savitree Seepersad and Ian Narine



Board Profiles

Mr. Anthony Isidore Smart Chairman



Anthony Isidore Smart graduated from the University of Toronto, Canada with a Bachelor of Arts Degree (General), majoring in Economics.

He is an Attorney-at-Law who has been in private practice for 47 years, 30 of which he led the law firm of Gittens, Smart & Company. He was an elected member of the House of Representatives of the Parliament of Trinidad and Tobago from December 1986 to November 1991.

At various times between January 1987 and February 1989 he was the Deputy Speaker of the House of Representatives, Minister in the Office of the Attorney General, Minister in the Office of the Prime Minister, and Chief Whip in the House of Representatives. He was Attorney General of Trinidad and Tobago from March 1989 to November 1991.

Mr. Smart was a tutor in Family Law at the Hugh Wooding Law School in the 1970s and was personally responsible for drafting the Code of Ethics for Ministers and Members of Parliament which was laid in the House of Representatives in 1988.

Mr. Smart was appointed as Chairman of the Board of First Citizens Bank Limited on June 17, 2014 and subsequently as Chairman of First Citizens Investment Services Limited, First Citizens Bank (Barbados) Limited, First Citizens Costa Rica S.A., First Citizens Holdings Limited and First Citizens Portfolio and Investment Management Services Limited.

He also served as Executive Chairman of First Citizens Bank Limited from December 4, 2014 to April 7, 2015. He was inducted into the Fatima College Hall of Achievement for Public Service in 2015.

Courtenay Williams is an Attorney-at-Law who has been in practice for 32 years, most of which have been spent at the private bar, specialising in banking, privatisation, commercial, intellectual property, project financing, capital market and debt restructuring transactions. Mr. Williams graduated from The University of the West Indies with a Bachelor of Laws Degree (Honours). He also obtained a Legal Education Certificate from the Hugh Wooding Law School in 1987.

Mr. Williams is a tutor at the Hugh Wooding Law School in the Law of Remedies and has previously also tutored in areas such as Landlord and Tenant, Conveyancing and Registration of Title, Ethics Rights and Obligations of the Legal Profession and Succession.

He was appointed to the Board of First Citizens Bank Limited on June 17, 2014 and subsequently as Deputy Chairman of First Citizens Bank Limited, Chairman of the Boards of First Citizens Depository Services Limited and First Citizens Financial Services (St. Lucia)

Limited and a Director on the Boards of First Citizens Holdings Limited and First Citizens Trustee Services Limited.

Mr. Williams, a certified mediator, is currently a Senior Ordinary Member of the Law Association of Trinidad and Tobago and a member of the Disciplinary Committee of the Law Association of Trinidad and Tobago. He is also a Commissioner of the Public Services Commission.

Mr. Williams is a past President of the Art Society of Trinidad and Tobago and Deputy Chairman of the Trinidad and Tobago Film Company Limited and Chairman of the Legislative Committee of the American Chamber of Commerce of Trinidad and Tobago.

He currently sits on the Boards of the NGC Bocas Literary Festival, Trincity College Limited and Electrical Industries Limited, and is a Consultant with Lex Caribbean, Attorneys-at-Law and Notaries Public.

Mr. Courtenay Williams
Deputy Chairman



Board Profiles

Ms. Franka Costelloe



Franka Costelloe holds an MSc in Building and Construction Management (with distinction), an (MBOS) Associate Degree in Project Management and BSc in Business Administration with a Major in Human Resources and a Master's Certificate in Corporate Governance from the Caribbean Corporate Governance Institute.

Ms. Costelloe is a Director of Lifetime Roofing Limited, a manufacturer, distributor and contractor specialised in metal and flat roof waterproofing. She has experience in various departments including: Human

Resources, Project Management, Contracts, Budget Planning and Administration, Sales and Marketing.

She sits as the Chairperson of First Citizens Trustee Services Limited and is a Director on the Boards of First Citizens Bank Limited, First Citizens Investment Services (Barbados) Limited and First Citizens Bank (Barbados) Limited.

Ms. Costelloe currently also sits on the Trinidad and Tobago Manufacturers' Association Board and is the President.

Ian Narine has 24 years of experience in the financial services industry. He holds an MBA from Manchester Business School and is a Fellow of the Association of Chartered Certified Accountants. He is also a member of the Chartered Institute of Securities and Investments.

Over the course of his career, Mr. Narine has fulfilled numerous roles and disciplines across the financial services industry. He has practiced as an accountant, auditor, corporate finance consultant, stock broker, investment adviser, portfolio manager, wealth manager and private banker. He has also been involved in financial analysis and research, macro-economic analysis, financial risk management and internal audit.

Mr. Narine has had over 15 years of senior management responsibility, including the executive positions of General Manager and Managing Director of units and subsidiaries associated with four publicly listed companies in Trinidad and Tobago.

He was appointed to the Board of First Citizens Bank Limited on August 25, 2014 and subsequently to the Boards of First Citizens Trustee Services Limited, First Citizens Investment Services Limited, First Citizens Costa Rica S.A. and First Citizens Portfolio and Investment Management Services Limited.

He currently also serves as the Deputy Chairman on the Board of the Trinidad and Tobago Stock Exchange and a Director on the Board of the Telecommunications Services of Trinidad and Tobago.

Mr. Ian Narine



Board Profiles

Mr. Ryan Proudfoot



Ryan Proudfoot holds a Bachelor of Arts Degree (Honours) in Accounting from the University of Kent at Canterbury, UK and a Masters of Business Administration in International Management from the University of Exeter, UK.

Mr. Proudfoot is the majority shareholder of Total Office, a Trinidadian headquartered company that enables businesses to maximise the operational efficiency and aesthetics of office spaces, with subsidiaries in Barbados, Guyana and St. Lucia, and operations in 10 other southern Caribbean countries.

Prior to this, Mr. Proudfoot had a highly successful career in banking, holding the positions of General Manager, BNB Finance & Trust Corporation and General Manager, BNB Treasury with Barbados National Bank Inc. (renamed Republic Bank (Barbados) Limited; and a subsidiary of Republic Bank Limited).

Mr. Proudfoot joined BNB after serving as Business Head and Vice President, Citicorp Merchant Bank Limited (Barbados Branch) where he was responsible for the re-establishment of Citibank in Barbados. Mr. Proudfoot started his career at Citibank Trinidad as a Relationship Manager in Corporate Banking where he served for five years before moving to Barbados.

He was appointed to the Board of First Citizens Bank Limited on July 3, 2014 and subsequently as Chairman of the Board of First Citizens Investment Services (Barbados) Limited and First Citizens Brokerage and Advisory Services Limited, and a Director on the Boards of First Citizens Investment Services Limited, First Citizens Bank (Barbados) Limited and First Citizens Portfolio and Investment Management Services Limited.

Jayselle McFarlane is a member of the Association of Certified Chartered Accountants (ACCA) and has experience in various sectors such as financial services, construction, hospitality and manufacturing. Her career as a consultant emanated from over 23 years of diverse experience; with her functioning in leading roles at various international/multinational companies. As a Chartered Accountant, she was able to hold the offices of Finance Analyst, Financial Controller and Corporate Secretary in these international/multinational companies.

Ms. McFarlane is currently pursuing the Forensic Certified Public Accountant Qualification at the Caribbean Institute of Forensic Accounting (CFA).

She was appointed to the Board of First Citizens Bank Limited as a Director on June 16, 2016 and subsequently as Deputy Chairperson on the Board of First Citizens Depository Services Limited and as a Director on the Boards of First Citizens Holdings Limited and First Citizens Investment Services Limited.

Ms. Jayselle McFarlane



Board Profiles

Ms. Ingrid Melville



Ingrid Melville is an Attorney-at-Law who has been in practice for 24 years, leading the law firm Ingrid Melville & Company since 2012. She graduated from The University of the West Indies with a Bachelor of Laws Degree in 1993 and obtained a Legal Education Certificate from the Hugh Wooding Law School in 1995. Ms. Melville is also the Managing Director of Caribbean People Centred Development Institute and SAFA Holdings (PTY) Ltd., Botswana.

A true pioneer of human rights issues, Ms. Melville has presented at several key seminars in Botswana, South Africa, Zimbabwe and Egypt, and has published research papers and other publications on topics such as human dignity, volunteerism and HIV in the workplace.

Ms. Melville has made many meaningful collaborations with respect to human rights and youth issues from early on in her life (being a member of the Tobago Youth Council from 1985 to 1990) and has been actively involved in youth development and human rights issues ever since.

Ms. Melville was appointed as a Director on the Board of First Citizens Bank Limited on February 16, 2017 and subsequently as a Director of First Citizens Trustee Services Limited and First Citizens Costa Rica S.A.

She is also currently the Chairman of the Board of the Tobago Regional Health Authority.

Savitree Seepersad FCCA is a Member of the Association of Certified Chartered Accountants (ACCA).

Mrs. Seepersad is currently the Deputy Permanent Secretary, Ministry of Finance. She entered into the Public Service 35 years ago where she served in various positions in the Ministry of Finance including Treasury Accountant, Senior Treasury Accountant and Treasury Director.

She is the Chairman of the Seized Assets Advisory Committee and a member of the National Anti-Money Laundering and Counter Financing of Terrorism

Committee (NAMLC). She is a member of the Permanent Double Taxation Treaty team of Trinidad and Tobago and is also responsible for coordinating all activities with respect to Trinidad and Tobago's tax transparency obligations to the Organisation for Economic Cooperation and Development's (OECD) Global Forum and Base Erosion and Profit Shifting Inclusive Framework (BEPSIF) and the European Union. She also serves as a member on other Committees as a Ministry of Finance representative.

Mrs. Seepersad was appointed to the Board of First Citizens Bank as a Director on April 14, 2016.

Mrs. Savitree Seepersad



Board Profiles

Mr. Troy Garcia



Troy Garcia holds a Bachelor's Degree in Business Administration from Stetson University, Florida, USA.

With over 23 years of experience and success in the fields of business and entrepreneurship, he is the Chief Executive Officer of Parts World Limited, Director of United Bearings and Equipment Agencies, Managing

Director of High Performance Coatings and Honorary Consul General of Finland for Trinidad and Tobago.

Mr. Garcia was appointed to the Board of First Citizens Bank Limited on June 16, 2016 and subsequently to the Boards of First Citizens Investment Services Limited and First Citizens Depository Services Limited.

Idrees Omardeen became a member of the Association of Chartered Certified Accountants (ACCA) in 2004, five years after which, his expertise in the field granted him Fellow Membership status within the Association. With a keen eye for management, Mr. Omardeen operates the Omardeen School of Accountancy Limited, a family owned business.

At the school, Mr. Omardeen lectures all levels of accounting—from entry to professional level. He also works in his family's accounting practice and manages the property rentals, as well as events, and

the family's auditorium. Mr. Omardeen has recently started a new venture, or as he puts it – adventure, in the making of the finest blends of coffee for export and local consumption.

Mr. Omardeen was appointed as a Director of First Citizens Bank Limited on June 17, 2016 and subsequently as a Director on the Boards of First Citizens Investment Services Limited, First Citizens Depository Services Limited and First Citizens Brokerage and Advisory Services Limited.

Mr. Idrees Omardeen



Board Profiles

Mr. David Inglefield

Mr. David G Inglefield's business career has spanned 46 years in Trinidad and Tobago, Suriname, Guyana, Barbados and the USA.

Beginning in 1969 at Trinity Advertising Limited, he became Managing Director in 1978 and in 1981 acquired and merged the business with Corbin Compton Caribbean, a major international agency in the region. He was appointed CEO of Corbin Compton in 1982 where he remained until he resigned in 1993 and founded Inglefield, Ogilvy & Mather Caribbean Limited.

Recognised as one of the leaders in the Caribbean on Strategic Business and Brand Development, in October 2003, he brought his considerable knowledge and experience to the ANSA McAL Group as a Parent Board Director and member of the Group's Executive Committee. As Group Marketing Director, he played a decisive role in the acquisition of the Bryden's Business Group in Barbados and its successful integration into the Group's distribution business in Barbados.

During the period 2005 to 2015, Mr. Inglefield served in various capacities within the ANSA McAL Group including the Group's Distribution Sector Head. In 2007 he was appointed President/CEO of ANSA McAL (Barbados) Limited with responsibility for approximately \$2 billion of assets under management. Returning to T&T in 2011, he took up the position of Sector Head Executive Chairman of Guardian Media Limited, as well as Chairman of the four operating companies in the ANSA McAL Group's Services and Retail Sectors.

Mr. Inglefield retired from the ANSA McAL Group in June 2015 and is now an active business consultant



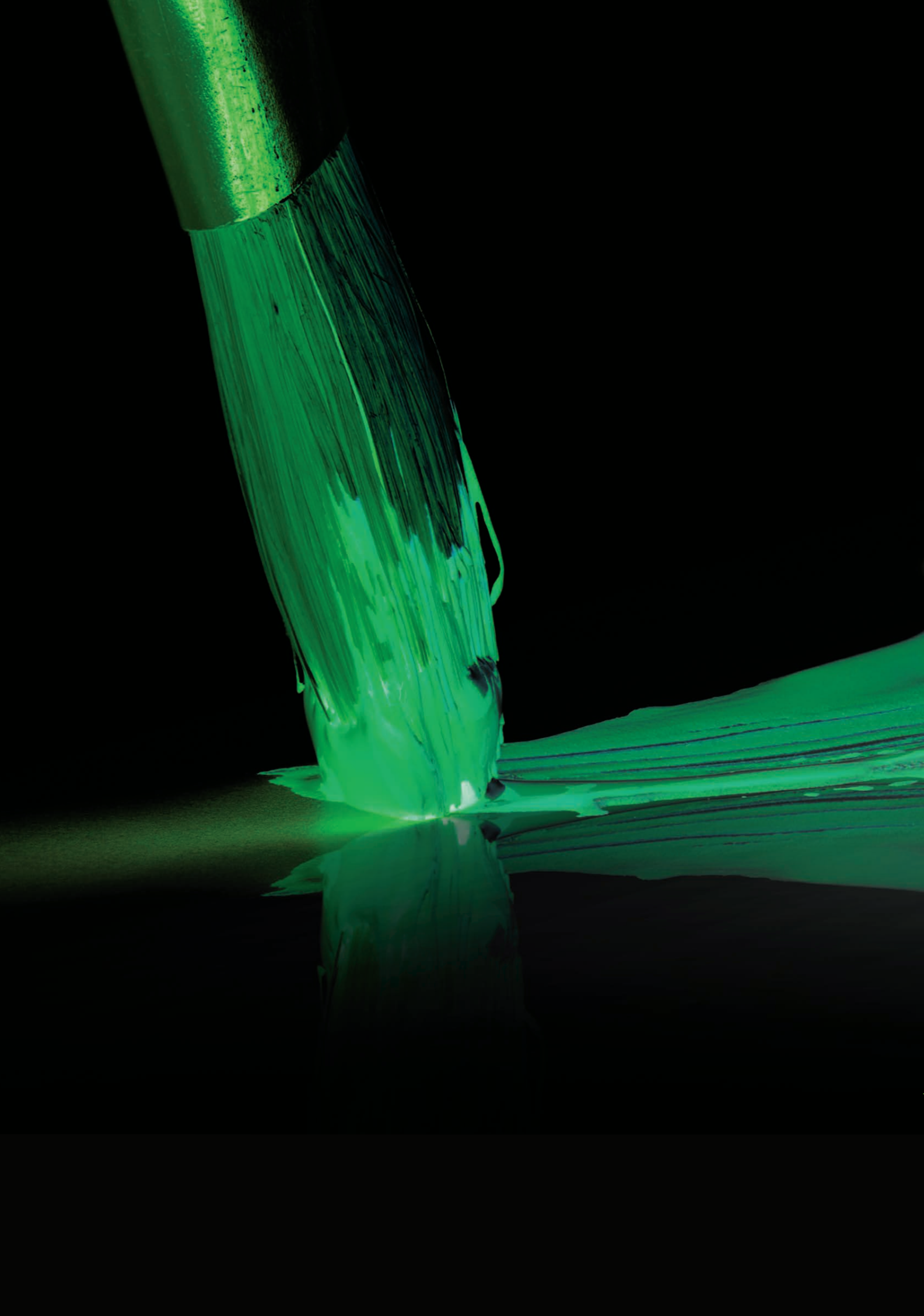
to major businesses in the State and private sector, including the 'heavy' manufacturing and petrochemical sectors. He also retains a consultancy role in the ANSA McAL Group.

He was appointed a Director of the Board of Trinidad Cement Limited (Cemex) and a member of the Board Audit and Governance Committees in 2016. Mr. Inglefield was appointed Chairman of the TCL Group in October 2019.

He also serves as a Board member of First Citizens Bank Limited, a Director of First Citizens Trustee Services Limited, First Citizens Investment Services Limited, First Citizens Investment Services (Barbados) Limited and First Citizens Bank (Barbados) Limited; and serves on the First Citizens Group HR and Audit Committees.

He is also the Chairman and a Director of Ogilvy Caribbean Limited.







INTEGRITY

Banking Transparency

**EXECUTIVE
MANAGEMENT TEAM**



EXECUTIVE MANAGEMENT TEAM



Ms. Karen Darbasie

Group Chief Executive Officer

Karen Darbasie is an accomplished banker with over 25 years of experience in the financial services industry, with a progressive leadership style underscored by excellence and vision.

Her local and international qualifications, which include a Bachelor of Science (BSc) Honours degree in Electrical Engineering from The University of the West Indies and a Master of Business Administration (MBA) with distinction from the University of Warwick, allow her to draw from an extensive academic background, bolstered by an innate technical business acumen.

Prior to her appointment at First Citizens, Ms. Darbasie held several senior positions at a global financial institution based

in Trinidad and Tobago, including Managing Director of the Merchant Bank, Country Treasurer and Markets Head.

As Group Chief Executive Officer, Ms. Darbasie serves as a Director on several subsidiary Boards within the First Citizens Group. A former Director of the Board of the American Chamber of Commerce of Trinidad and Tobago (AMCHAM) and St. Lucia Electricity Services Limited (LUCILEC), she currently serves as a member of the Board of Directors of the Energy Chamber of Trinidad and Tobago. Her most recent appointment as President of the Bankers Association of Trinidad and Tobago has afforded her the opportunity to deepen her service to the industry with her proven brand of excellence.

Dr. Sterling K. Frost

Deputy Chief Executive Officer – Operations and Administration

Dr. Sterling Frost is a Senior International Management Executive with three decades of Global Corporate career experience in North America, Latin America and the Caribbean region. Dr. Frost has held senior positions in financial services in the areas of Retail and Commercial Banking, Operations, Public Affairs and Human Resources.

Prior to joining the First Citizens Group in 2016 as Deputy Chief Executive Officer – Operations and Administration, he served as Director of Human Resources at the Miami-based Citibank Latin America Head Office. There, he had oversight of 12,000 employees across 13 countries in the Central American and Caribbean region, serving 1.2 million clients. In addition, his past directorships include financial institutions across Trinidad and Tobago, Panama, Nicaragua and Honduras. He currently serves on the boards of several subsidiaries within the First Citizens Group.

Dr. Frost's academic qualifications include a Master's degree and a Doctorate in Business Administration from The University of the West Indies (The UWI). In February 2019, he was appointed Professor of Practice: Management Studies at The UWI, St. Augustine, in recognition of his professional

competence, distinguished practice, notable teaching and service contributions. He is the recipient of The UWI Inaugural Distinguished Alumni Award bestowed in 2011 on high-performing individuals who consistently operate at world-class levels.

Passionate about the need to nurture and develop human capital, for the last 15 years, Dr. Frost has been an Adjunct Lecturer at The UWI for both undergraduate and postgraduate programmes. He lectures in the areas of Organisational Behaviour and Development, Human Resource Management, Cross-Cultural Management and Strategic Planning.

Apart from his knowledge sharing in the classroom, his commitment to support human capital as the optimal pathway towards national development is reflected in his Chairmanship of The Lydian Singers as well as, The UWI Faculty of Social Sciences Advisory Board. He is the Deputy Chairman of The UWI Institute for Gender and Development Studies External Advisory Board, and a Director of the Board of the Foundation for Enhancement and Enrichment of Life (FEEL) and The UWI Development and Endowment Fund.





Mr. Jason Julien

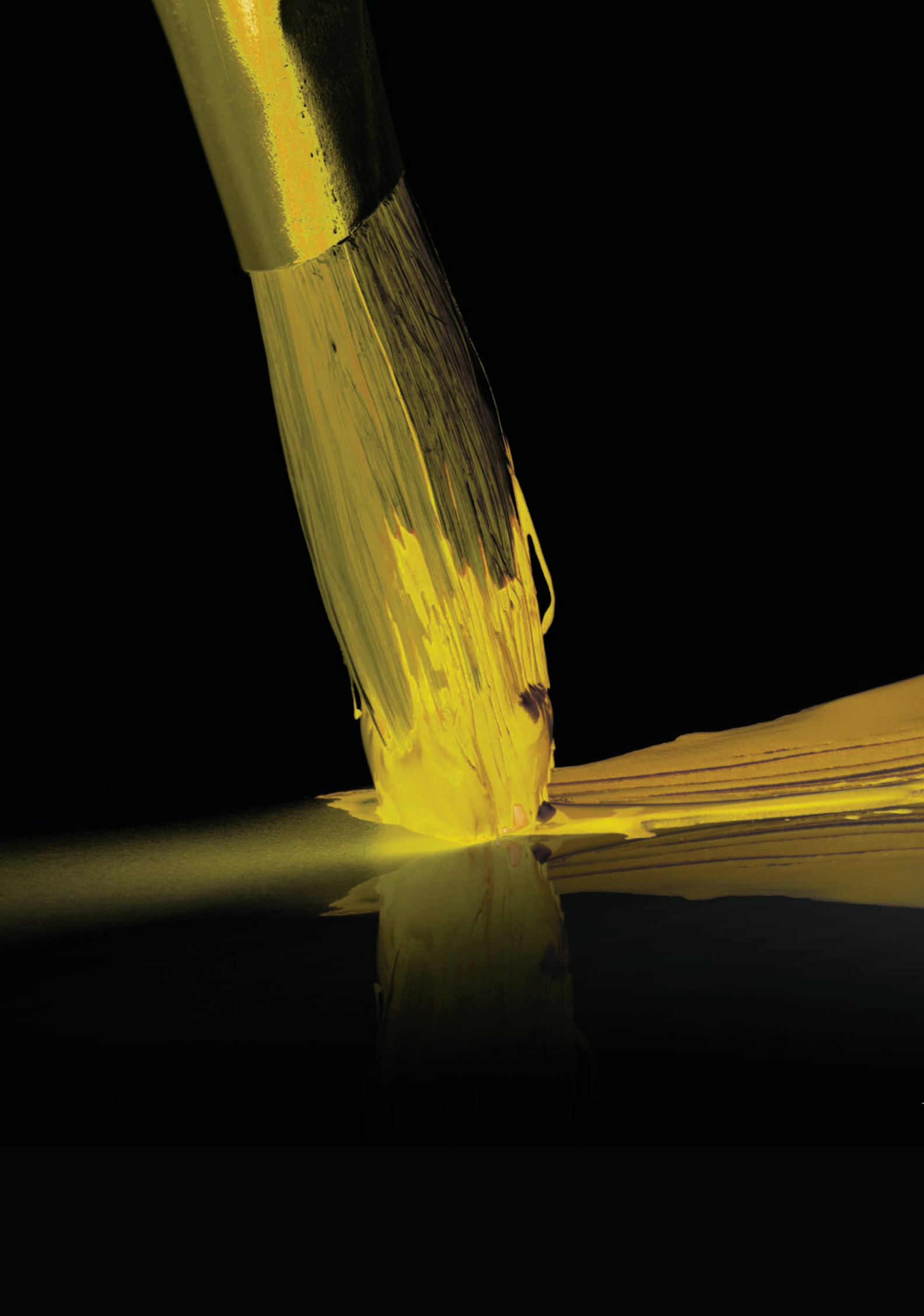
Deputy Chief Executive Officer – Business Generation

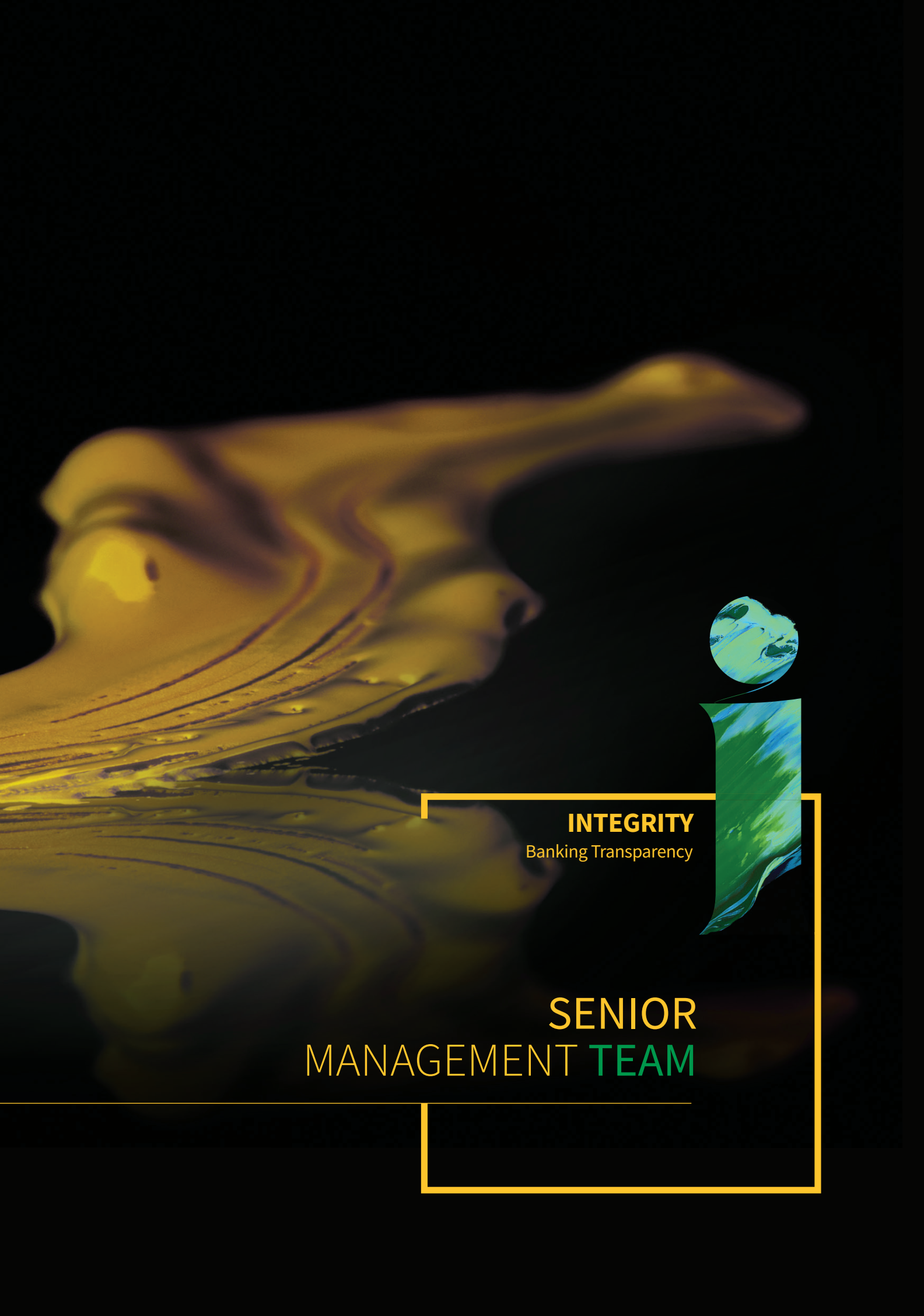
Jason Julien is a Chartered Financial Analyst with over 20 years of experience in the financial services industry. He is the holder of a BSc in Management Studies with honours from The University of the West Indies (The UWI), an MBA from Edinburgh Business School, as well as top honours in IABF's 2018 Professional Certificate for Financial Advisors Programme (Cert. FA) in the Banking Specialisation. He is currently enrolled in the Stonier Graduate School of Banking and his career has covered consultancy with PricewaterhouseCoopers and management positions at an international bank. He was also employed with one of the largest financial services conglomerates in the Caribbean, where he managed over \$8 billion in assets.

He is a member of the Finance Faculty at the Arthur Lok Jack Global School of Business, and is a commentator on economic,

investment and financial matters. Mr. Julien was also honoured as one of the Distinguished Alumni of The UWI, St. Augustine. Mr. Julien is a Past President of the CFA Society of Trinidad and Tobago and has served on the Boards of the Mutual Fund Association of Trinidad and Tobago and the Securities Dealers Association of Trinidad and Tobago. He has also served as the Vice-Chairman of the Capital Markets Development Committee of the Central Bank of Trinidad and Tobago, and as Chairman of the Airports Authority of Trinidad and Tobago. He is currently a member of the Board of Directors of the Trinidad and Tobago Chamber of Industry and Commerce and the NextGen Board of the Inter-American Development Bank.

Mr. Julien is also a Director on the boards of several subsidiaries within the First Citizens Group.





INTEGRITY

Banking Transparency

SENIOR
MANAGEMENT **TEAM**



FROM LEFT:

Lindi Ballah-Tull

Head – Legal, Compliance and Governance
(Group Corporate Secretary)

Kurt Valley

General Manager – First Citizens Depository Services

Christopher Sandy

General Manager – Trustee Services

Brian Woo

General Manager – Corporate and Investment Banking

Neela Moonilal-Kissoon

General Manager – Group Human Resources

Tariq Alli

Assistant General Manager –
Corporate and Investment Banking

Wendell Mitchell

Chief Information Officer

Akhenaton Marciano

Assistant General Manager – Group Operational Risk and Controls

Larry Olton

Head – Brand and Marketing

Sana Ragbir

General Manager – First Citizens Investment Services

Missing: Felipe Castro, Regional Manager – Central America, First Citizens Costa Rica S.A.

SENIOR MANAGEMENT TEAM

FROM LEFT:**Kurt Headley**

Head – Retail Banking

Avril EdwardsAssistant General Manager –
Electronic Banking**Nicole De Freitas**

General Manager – Operations

Shiva Manraj

Group Chief Financial Officer

Robin LewisGeneral Manager –
Retail and Commercial Banking**Nesha Ramkhalawan**Assistant General Manager –
Group Credit Risk Management**Keshwar Khodai**Assistant General Manager –
Group Treasury and International Trade**Ishwarlal Mongru**

Head – Commercial Banking

Anthony St. Clair

Chief Internal Auditor

Richard Look Kin

Group Chief Risk Officer



Missing: Carole Eleuthere-Jn Marie, Chief Executive Officer (Interim), First Citizens Bank (Barbados) Limited

Management Discussion and Analysis

Overview

The following discussion aims to offer Management’s perspective on the Group’s financial statements and its general operations for the year ended September 30, 2019.

The Group, defined as First Citizens Bank Limited (the “Bank”) and its subsidiaries, conducts a broad range of banking and financial services activities including corporate and commercial banking, retail and electronic banking, investment banking, and investment management services. The Bank is a subsidiary of First Citizens Holdings Limited (“Holdings”), a company owned by the Government of Trinidad and Tobago.

This analysis should be read in conjunction with the consolidated financial statements. The information is provided to assist readers in understanding the Group’s financial performance during the specified period and significant trends that may impact the future performance of the Group.

The Group measures performance using a Balanced Scorecard concept, focusing on monitoring and measuring strategic objectives benchmarks to meet financial, customer, internal business processes and employee development.

All amounts are stated in Trinidad & Tobago dollars unless otherwise stated.

Critical Accounting Policies

The accounting and reporting policies of the Group conform to International Financial Reporting Standards (IFRS). Developments related to these standards are actively monitored and disclosure is provided in accordance with global industry best practice.

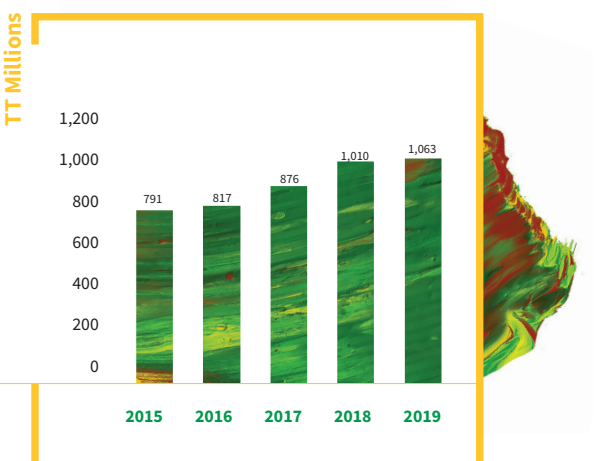
Summary of Operations

At the end of the financial year ended September 30, 2019, First Citizens Group reported a profit before tax of \$1.063 billion. This profit represented \$52.7

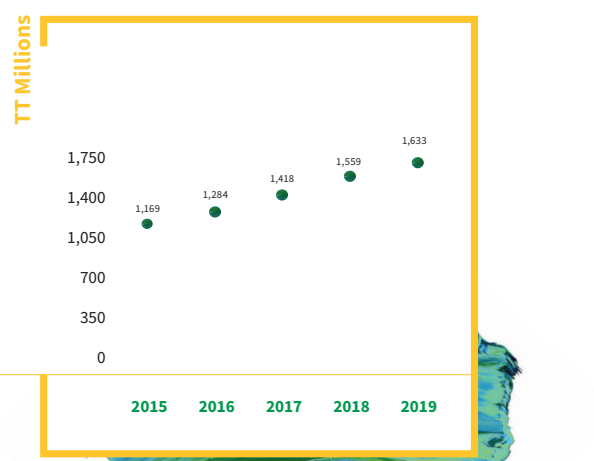
million or 5.2% growth over the \$1.010 billion earned in September 2018. Total net income increased by 2.7% to approximately \$2.27 billion whereas operating or core profit increased by \$51.1 million to \$1,042.9 million (2018: \$991.8 million). Profit after tax amounted to \$751.7 million as compared to \$673.7 million in 2018, an increase of 11.6%.

Overall total assets increased by 3.2% to \$43.4 billion in 2019. The Group’s funding base increased from \$32.7 billion to \$33.0 billion. The Group reflected growth in customers’ loans and advances of 16.1%, moving from \$16.3 billion to \$18.9 billion and investments increased from \$15.1 billion to \$15.9 billion.

Profit Before Tax



Net Interest Income



Management Discussion and Analysis

Net Interest Income

Net Interest Income has increased to \$1.63 billion or a 4.7% increase from \$1.56 billion in 2018. Net interest income continues to be the most significant contributor to the Group's net income, accounting for 71.8% (2018: 70.3%) of the Group's total income.

Over the financial year ended September 30, 2019, interest income increased by \$147.2 million or 7.8% to \$2,034.3 million, the major contributors being loan interest income which accounted for \$131.6 million or 12.1% increase and investment interest income which increased by \$24.1 million or 3.2%. This was partly offset by a decrease in loan note interest income by \$8.5 million.

The increase in the loan interest income was due to an increase in the average portfolio balance of \$2.2 billion, while we recorded lower yields on the loans portfolio from 6.84% in 2018 to 6.75% in 2019. The investment interest income increase was mainly due to higher yields on the investments which moved

from 4.81% in 2018 to 5.05%, while the average portfolio balance decreased by \$0.3 billion.

Interest expense increased by \$72.9 million or 22.2% to \$401.0 million. This increase was due mainly to an increase in bond payables interest expenses by \$30.9 million, due mainly to an increase in the average portfolio of \$0.6 billion, along with higher cost of funding on the bond portfolio which moved from 3.92% in 2018 to 4.19% in 2019.

The deposits interest expenses also increased by \$22.4 million and the other funding (repo) interest expenses by \$19.5 million. The increase in these interest expenses were due to higher cost of funding, with deposit interest expenses moving from 0.35% in 2018 to 0.43% and other funding interest expense moving from 3.24% in 2018 to 3.81%.

The following table sets forth a summary of changes in interest income and interest expense resulting from changes in volumes (average balances) and changes in rates:

| | Year Ended September 30, 2018 vs September 30, 2019 | | | | Year Ended September 30, 2017 vs September 30, 2018 | | | |
|---|--|--------------------|---------------------------|----------------------------------|--|--------------------|---------------------------|----------------------------------|
| | Changes in Volume | Changes in Rate | Changes in Rate/Volume | Total increase/ (decrease) | Changes in Volume | Changes in Rate | Changes in Rate/Volume | Total increase/ (decrease) |
| Interest Income | | | | | | | | |
| Attributable to: | | | | | | | | |
| Investment Securities | 4,614 | 19,397 | 118 | 24,129 | 2,520 | 73,083 | 269 | 75,872 |
| Loans to customers | 144,687 | (11,553) | (1,540) | 131,594 | 87,049 | 38,888 | 3,541 | 129,478 |
| Loan Notes | (8,945) | 572 | (127) | (8,500) | (8,860) | 470 | (85) | (8,475) |
| Total increase in interest income | 140,356 | 8,416 | (1,549) | 147,223 | 80,709 | 112,441 | 3,725 | 196,875 |
| Interest Expense | | | | | | | | |
| Attributable to: | | | | | | | | |
| Customers' Deposits | 3,350 | 18,394 | 697 | 22,441 | 846 | 692 | 7 | 1,545 |
| Other funding instruments | (1,889) | 8,722 | (156) | 6,677 | (1,210) | 2,970 | (35) | 1,725 |
| Due to other banks | 10,382 | 1,997 | 463 | 12,842 | 14,218 | 2,608 | 1,398 | 18,224 |
| Debt securities in issue | 32,051 | (833) | (299) | 30,919 | 28,606 | 4,054 | 2,122 | 34,782 |
| Total increase in interest expense | 43,894 | 28,280 | 705 | 72,879 | 42,460 | 10,324 | 3,492 | 56,276 |
| Increase/(decrease) in net interest income | 96,462 | (19,865) | (2,254) | 74,344 | 38,249 | 102,117 | 233 | 140,599 |

Management Discussion and Analysis

Non-Interest Income

In the year 2019, non-interest income decreased by 2.3% to \$642.5 million, accounting for 28.3% of total revenues (2018: 29.7%). The major contributors to this decrease were derived from less gains from disposals of investments (\$53.5 million). This was partly offset by increases in transaction service fees and portfolio and other management fees.

Non-Interest Expense

Within this period, as anticipated, we experienced an increase in non-interest expenses of \$200.5 million or 19.1%, amounting to \$1,247.4 million as at the end of September 2019. Salaries and staff expenses increased by \$118.2 million or 24.1%. This was due mainly to the non-replication of a one off reduction of \$57.2 million recorded in 2018 in the defined benefit obligations, due to the increase in the retirement age from 60 to 65 effective January 1, 2019, along with an increase in staff complement. The depreciation and amortisation charges also reflected an increase of \$36.5 million, due to increased charges associated with the implementation of several of the Group's strategies.

The Group's efficiency ratio, the ratio of non-interest expenses (excluding impairment provision) to total income stood at 54.8% in 2019. The Group continues to renew its commitment towards improving the efficiency of utilisation of resources and controlling its expense levels, while delivering superior customer service.

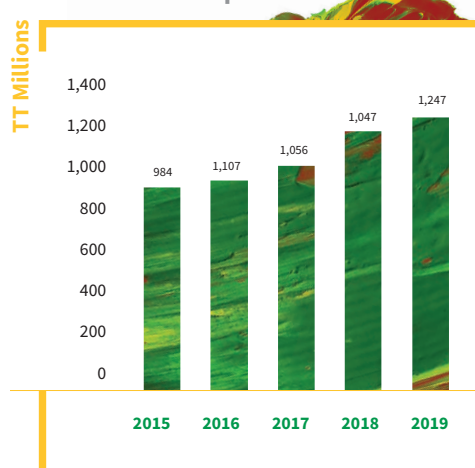
Assets and Liabilities

Total assets were \$43.4 billion as at the end of September 2019. Significant growth was shown in loans to customers and investments.

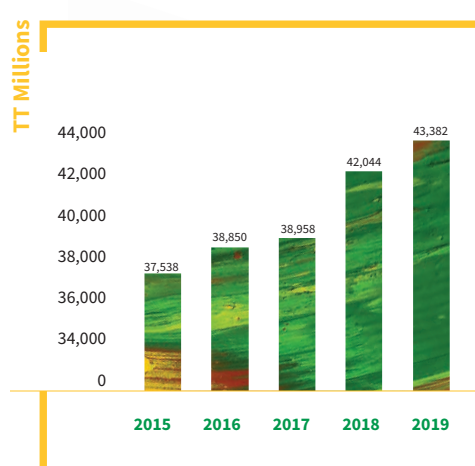
The Loan to Customers Portfolio

As at September 30, 2019, the gross loan portfolio increased by \$2.6 billion to \$18.9 billion. Loans increased within four major sectors led by other business (\$1,106.7 million), petroleum (\$1,215.7

Non-Interest Expense



Asset Growth – Total Assets



million), hotels & guest houses (\$510.6 million) and consumers (\$498.6 million). This was partly offset by a decrease in construction (\$849.5 million) and transport and storage (\$441.3 million).

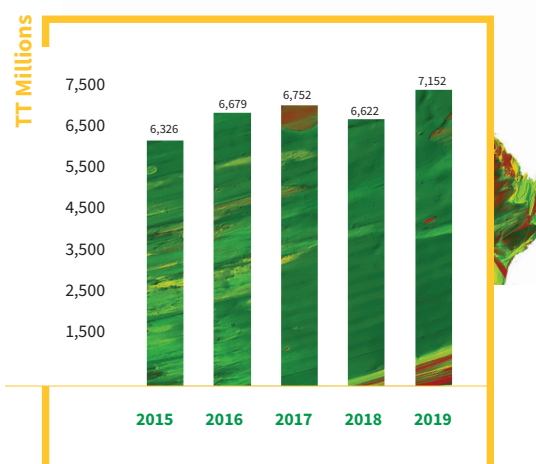
Non-performing loans as a percentage of total gross loans improved to 3.04% at the close of 2019 compared to 3.33% in 2018. The credit risk department and business units continue to effectively manage our delinquency, asset quality and credit exposure by setting and ensuring compliance with our credit limits.

Management Discussion and Analysis

Gross Loans to Customers



Total Shareholders' Equity



Loan Loss Provisions

The Group accounts for the credit risk associated with lending activities through its allowance for bad and doubtful debts. This allowance, as determined through the application of the Group's expected credit loss model, is an expense recognised in the income statement. Total provision for the Group at the end of September 2019 amounted to \$248.5 million, which represents 1.32% of total loans and 0.43 times coverage on the value of total non-performing loans.

The Group continues to demonstrate a prudent risk management approach in the current economic conditions.

Investment Portfolio

Hold to collect and sell financial assets increased during the year to \$10.9 billion from \$10.5 billion, an increase of 3.7% and the hold to collect financial assets increased to \$4.9 billion from \$4.6 billion, an increase of 7.6%.

Provision for Taxation

The Group recorded a taxation charge for the year of \$311.0 million compared to \$336.3 million in 2018. The decrease in the effective taxation rate to 29.3% (2018: 33.3%) was mainly due to the decrease in

the corporation tax rate in Barbados, as well as the restructuring of the Group in 2019.

Shareholders' Equity

Total shareholders' equity increased by \$530.3 million over the last financial year to \$7.15 billion. The increase in the Group's capital base was mainly due to the net profit for the year of \$751.7 million, offset by dividend of \$417.9 million paid to shareholders.

The Group and its subsidiaries are subject to various capital requirements administered by banking regulators. Such regulators require that the Bank maintain minimum amounts and ratios of total and Tier 1 capital (as defined in the regulation) to risk weighted assets (as defined). This standard corresponds with International Basel standards wherein there is a minimum capital adequacy ratio of 8%. This is a risk-based capital measure which recognises the inherent credit risk in off-balance transactions. As at the year's end, the Group was well capitalised with a capital adequacy ratio of 40.63% (2018: 39.34%).

Risk Management

The Group has recognised the need to place emphasis on creating a strong risk management culture in order to understand, manage and evaluate risks versus the

Management Discussion and Analysis

rewards being earned. The Enterprise Risk function currently encompasses three main risk monitoring areas: Credit, Market and Operational Risk.

The Enterprise Risk Management framework integrates all aspects of risks across the Group and supports the various business units within the Group in the effective management of risks. It has been developed in accordance with:

- The Committee of Sponsoring Organisations of the Treadway Commission (COSO) – Enterprise Risk Management (ERM) Integrated Framework, as its core methodology for managing risk on an enterprise-wide basis;
- The requirements of the Basel Capital Accord as applied in the jurisdictions in which the Group operates; and
- Other local and international best practices in risk management.

The Group has enhanced the integration of the COSO ERM framework and the Balanced Scorecard methodology into its strategic planning process, thus strengthening the control framework within the Group's operations.

The Group recognises that training is an integral part of building a stronger risk culture. To this end, training in Anti-Money Laundering for the entire Group is done annually while training on Ethics in Banking and the preparation of risk assessments is done as required at this time.

An integral part of any control framework is monitoring and assessing its effectiveness over time. The First Citizens Board acknowledges and understands that it has ultimate responsibility for ensuring and providing oversight for the effectiveness of the overall risk management and control framework and policies for the First Citizens Group.

Credit Risk Management

The Credit Risk Management function is responsible for the development of credit policy as well as the fostering of a credit culture that is aligned to the

Group's strategic objectives and its overall risk appetite. The team critically evaluates individual facilities on a regular basis to determine their quality and the extent of any reserve or write-off that may be needed.

The Group provides comprehensive training programmes, which enforce the need for prudence, detailed analysis and quality loan administration without diminishing creativity, flexibility and excellence in customer service.

Specific lending authorities are delegated based on the experience and training of personnel as well as the size of the portfolio. The lending process and the quality of the loan portfolio are reviewed via a credit-monitoring process utilising a Risk-Rating and Classification System which ensures that timely action is taken to avoid degradation of the portfolio.

Loans are immediately placed on a non-accrual basis if principal or interest is more than three months in arrears. This process can be initiated earlier if the loan is deemed uncollectable in accordance with the terms of the facility.

Market risk is the potential impact on earnings and capital due to unfavourable changes in market factors such as interest rates, foreign exchange rates, equity prices and liquidity.

The market risk philosophy of the Group is to ensure that no risk is taken unless it is fully understood and can be effectively managed. The policies governing market risk exposures are reviewed and recommended by the Market Risk Committee which is a subcommittee of the Asset/Liability Management Committee, with ultimate approval and responsibility for aggregate risk limits residing with the Board.

Asset/Liability Management

The Group has an active Asset/Liability Committee that comprises senior managers representing key departments within the Group. The committee is responsible for the management of the interest rate, liquidity and foreign exchange exposures, in the context of existing market trends. It seeks to optimise

Management Discussion and Analysis

the Group's investments and funding strategies, stabilise net income and ensure integration with other risk management initiatives.

Interest Rate Risk Management

Interest rate risk is inherent in many client-related activities, primarily lending and deposit taking to both corporations and individuals. Interest rate risk arises from these client activities as a function of a number of factors. These include the timing of rate resetting and maturity between assets and liabilities, the change in the profile of those assets and liabilities whose values change in response to changes in market interest rates, changes in the shape of the yield curve and changes in the spread. The yield curve provides the foundation for computing the fair value of future cash flows. It is based on current market yields on applicable reference bonds that are traded in the marketplace. Market yields are converted to spot interest rates ('spot rates' or 'zero coupon rates') by eliminating the effect of coupon payments on the market yield.

The Group's objective in this area is to manage the sensitivity of its earnings and overall value to fluctuations in the yield curve. To achieve this goal, the Group sets limits in terms of amount, term, issuer and depositor as well as the following:

- Controlling the mix of fixed and variable interest rate assets
- Improving the ratio of earning assets to interest-bearing liabilities
- Managing the interest rate spread
- Managing the rate resetting tenors of its assets and liabilities

Models are used to calculate the potential change in income that would result from the instantaneous change in rates on a static portfolio at a point of time on both balance sheet assets and liabilities.

The Group's fixed income portfolio is also exposed to interest rate risk as the valuation of the assets in the portfolio varies with local and international interest

rates. The Group uses Value at Risk (VaR) to monitor and manage the market risk of the investment portfolio. VaR is a statistically based estimate which quantifies the potential loss on the portfolio at a predetermined level of confidence and holding period. To supplement VaR, the Group also performs stress testing of the investment portfolio. The market risks arising from the investment portfolio are monitored by Group Market Risk and are reported to ALCO, Senior Management and the Board Enterprise Risk Management Committee.

The Group is committed to refining its market risk management tools to keep in line with international best practice.

Liquidity Risk Management

Proper liquidity management ensures that the Group meets potential cash needs at a reasonable price under various operating conditions. The Group achieves this through a strong and diversified funding base of core deposits, use of market sources and its short-term investment portfolio.

Daily monitoring by management of current and projected cash flows ensures that positions can be adjusted to maintain adequate levels of liquidity.

Operational Risk Management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal, reputational and strategic risk.

To support the enhancement of operational risk management strategy, the Group has a Systems and Procedures Department, whose role is to ensure that systems are in place that will assist in maintaining the highest standards of operational efficiency. This function focuses on the development of flexible and responsive procedures and policies that reduce bureaucracy but provide a balance between the risk, internal control, and cost management philosophies of the Group.

Management Discussion and Analysis

Management of Internal Controls

Since 2005, the Group adopted risk-based auditing. The Group Internal Audit department continues to play a key role in the ongoing functioning of Enterprise Risk Management by providing objective monitoring of its application and effectiveness. The activities of this department are guided by international standards set out by the Institute of Internal Auditors. The procedures of the department have been re-written in strict adherence to the *Standards for the Professional Practice of Internal Auditing*. In addition, the COSO and COBIT control frameworks have been inculcated into the audit process.

Frequent internal assessments ensure the quality of these processes; these are subject to an independent external quality assessment every five years. The last such assessment was completed on the November 22, 2017. The Group's internal audit process continues to receive the highest rating accreditation of "Generally Conforms". This affirms the department's independence, objectivity and professional care in giving assurance on risk management practices, governance initiatives and compliance with policies, procedures, regulations and legislation. The Audit Committee continues to oversee the operations of the department, ensuring the highest quality of communications to management and action items are identified for areas of weakness that have been identified.

Compliance Risk

Compliance risk is the risk of legal or regulatory sanctions, financial loss, or loss to reputation the Group may suffer as a result of its failure to comply with all applicable laws and regulations. This risk exposes the institution to fines, civil money penalties

and payment of damages and can lead to diminished reputation, reduced franchise value, limited business opportunities and reduced expansion potential.

The Compliance function which is a subset of the Legal, Compliance and Governance Unit, has the overall managerial responsibility to develop and maintain effective programmes to monitor compliance and recommend any necessary corrective action to meet the statutory and regulatory requirements in all jurisdictions in which the Group operates. The Units of the Bank and its subsidiaries prepare monthly, quarterly and annually regulatory compliance reports for the members of the Compliance Function. These are presented to the relevant sub-committees of the various Boards, and the Boards of the Bank and its subsidiaries, as part of the governance oversight and monitoring framework.

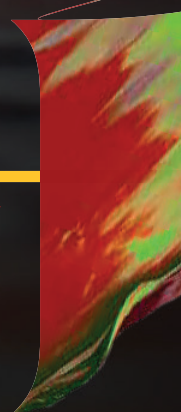
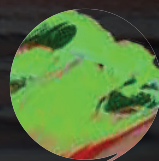
In addition, the Whistleblowing Programme, which allows staff members a confidential medium for reporting known or suspected policy breaches, including matters of compliance for investigation, continues in operation and provides a suitable avenue for matters to be escalated and addressed.

Conclusion

The First Citizens Group continued to perform strongly in 2019 with solid growth in Total Asset, and Shareholders' Equity. Despite the challenges of continued depressed economic activity, internationally, regionally and locally, the Group continues to position itself as a strong financial institution. Coupled with sound management and corporate governance, the First Citizens Group continues to be well positioned to maintain its position as one of the most competitive financial institutions in the region.







INTEGRITY

Banking Transparency

EXCELLENCE
IN GOVERNANCE

Excellence In Governance

Major Changes in Corporate Structure and Operations for First Citizens in the last Financial Year

Separation of Investment Management, Custodian and Trustee Services

The First Citizens Group, anticipating certain regulatory changes based on international best practice, took a decision in 2018 to remodel its operations to separate the Investment Management, Trustee and Custodian functions. These changes were geared towards improving operational efficiencies and fostering greater transparency in group operations. In this regard, the necessary press releases and other forms of communication were made with respect to the following:

1. Change of name of First Citizens Securities Trading Limited to First Citizens Portfolio and Investment Management Services Limited. As a fully owned subsidiary of First Citizens Investment Services Limited and located at 17 Wainwright Street in St. Clair, this entity is now responsible for the management of all third-party assets.
2. Change of name of First Citizens Asset Management Limited to First Citizens Depository Services Limited. First Citizens Depository Services Limited is the Custodian for the First Citizens Group.
3. First Citizens Trustee Services Limited continues to be the Trustee for the First Citizens Group and a major player in the trust market in Trinidad and Tobago.

First Citizens Investment Services Limited Branch Operations in Barbados

First Citizens Investment Services Limited, incorporated in Trinidad and Tobago, registered a Branch Office in Barbados during the financial year. This office will continue to be one of the leading securities companies in Barbados as it services the needs of the Group's customers. The entity, registered as First Citizens Investment Services (Barbados) Limited, has since ceased operations but will continue to exist as a company incorporated in Barbados until a full transition of that entity's assets and liabilities between it and First Citizens Investment Services Limited is completed.

First Citizens Investment Services Limited's St. Vincent and the Grenadines Office

With effect from October 21, 2019, the First Citizens Investment Services Limited's St. Vincent and the Grenadines Branch Office was relocated to the Second Floor, Lewis Pharmacy Building, Corner of James and Middle, Kingstown, St. Vincent. This new comfortable and convenient location has been tailored to accommodate the growing client base on the island.

First Citizens (St. Lucia) Limited

In 2003, the First Citizens Group registered two International Banking Companies (IBCs) in St. Lucia. These two companies are First Citizens Financial Services (St. Lucia) Limited and First Citizens (St. Lucia) Limited. We advised in our Annual Reports of 2017 and 2018 that First Citizens (St. Lucia) Limited had ceased operations. With effect from April 30, 2019, that company has been officially closed. First Citizens Financial Services (St. Lucia) Limited will continue to operate in St. Lucia.

Excellence In Governance

Year in Review – Corporate Governance Achievements

Establishing a Framework of Effective Governance

First Citizens Bank Limited (“the Bank”) and its subsidiaries continue to be guided by the principles adopted in each company’s charter. These charters are reviewed on an ongoing basis to ensure that they remain relevant and reflect the work carried out by the various Boards. Some of the responsibilities of the Board include, but are not limited to, the following:

- Approving the Bank’s vision and mission to guide and set the pace for its current operations and future development;
- Approving the values to be promoted throughout the Bank;
- Reviewing and approving the Bank’s strategic goals;
- Giving strategic direction to the Bank in conjunction with Executive Management by establishing broad policies and objectives;
- Reviewing and approving the business strategies and plans that underpin the corporate strategy;
- Approving the Bank’s annual performance targets, tactical plan and budgets within the context of the strategic plan and periodically monitoring such performance;
- Reviewing and approving the monitoring criteria presented by Executive Management to be used by the Board so as to maintain oversight of critical issues facing the Bank;
- Declaring dividends, as appropriate, and approving financial results for disclosure to the public, as necessary; and
- Encouraging through Management the goodwill and support of shareholders and relevant stakeholders.

All of the Bank’s Directors are independent, non-executive Directors within the meaning of the Financial Institutions Act, Chapter 79:09. Every year, all Directors and Employees are expected to revisit the values, principles and behaviours set out in the Code of Conduct and Ethics and recommit to following same. Additionally, Directors and Employees are expected to acknowledge their commitment to keeping customer and business information confidential by signing an Oath of Secrecy every year.

Over the financial year, Management has paid particular attention to the quality of information provided to the Board, as well as the timely delivery of this information. An initiative was embarked upon to engage with key stakeholders to ensure that reports were standardised in order to maintain high levels of reporting. Cut off dates were also agreed to ensure that Board Members received information in a timely manner to allow for review, thereby improving Members’ contributions at meetings.

In 2015, the First Citizens Group established an Investor Relations Policy which was approved by its Board. This policy prescribes the Group’s position on shareholder and stakeholder disclosures, engagement and collaboration. The policy was reviewed over the financial year and enhanced to ensure that stakeholder engagement remains a top priority for First Citizens.

Strengthening Board Composition and Performance

The Board of First Citizens Bank Limited has delegated certain functions to various board committees, namely the Audit Committee, Credit Committee, Corporate Governance Committee, Board Enterprise Risk Management Committee (BERM), Human Resources Committee, the Board Tenders Committee and the Customer Centric Committee. Each of these committees is composed of independent, non-executive Directors. The Chairman of each committee regularly reports to the Bank’s Board on important matters which occur at the committee level.

Excellence In Governance

Board Composition, Membership and Appointment

The Central Bank of Trinidad and Tobago as a regulator and supervisor of financial institutions ensures that First Citizens is compliant with the provisions of the Financial Institutions Act, Chapter 79:09, as well as Fit and Proper Guidelines, regarding the initial and ongoing fitness and propriety of persons holding key positions, which includes Directors. All Directors have been assessed as fit and proper by the Central Bank of Trinidad and Tobago. Diversity among First Citizens' Board is not only seen through gender, but also through age, professional, academic and experiential qualifications possessed by each Director. The Board's academic and professional qualifications are presented within the "Board of Directors' section" of this report.

For the first time, the Bank has introduced a Skills Matrix which, in addition to the Fit and Proper Guidelines, will assess the eligibility of candidates for election and re-election to the Bank's Board. Each Director on the Bank's Board was asked to rate themselves according to the measures set out and we have provided the preliminary findings at Appendix 4 hereto.

The role of the Corporate Governance Committee has been expanded to include the following responsibilities:

- (i) To search for and assess candidates' eligibility for appointment to the Board of the Bank and make representations to all shareholders, including the majority shareholder based on the Guidelines for the Selection of Directors and the Skills Matrix approved and adopted by the Board from time to time;
- (ii) To assess Directors' eligibility for re-appointment to the Board of the Bank and make representations to the majority shareholder on those Directors based on the Guidelines for the Selection of Directors and the Skills Matrix approved and adopted by the Board from time to time;
- (iii) To search for and assess candidates' eligibility for

appointment or re-appointment for the Bank's subsidiaries and affiliates based on the Guidelines for the Selection of Directors and the Skills Matrix approved and adopted by the Board from time to time;

- (iv) To make representations to the Board as it relates to the importance of continuity and succession planning for the Boards of the Group;
- (v) To facilitate training programmes for the Board and induction programmes for new Directors; and
- (vi) To review the Guidelines for the Selection of Directors and the Skills Matrix for assessing the eligibility of Directors in keeping with the law and best practice, where appropriate.

Nomination of Directors would now occur through the Corporate Governance Committee, to all shareholders, including the majority shareholder, and appointments would continue to take place by shareholders at annual meetings and special meetings convened for that purpose.

Board Performance

In keeping with the mandate of its Terms of Reference, the Corporate Governance Committee oversaw the process and selection of an independent Consultant to conduct evaluations on the Bank's Board, the Boards of its sub-committees, Chairpersons and individual Directors.

The entirety of the Board evaluation exercise was conducted over the period December 2018 to October 2019 and meetings were carried out with each Director to discuss strengths and areas for improvement based on feedback provided by peers. The Corporate Governance Committee will work along with Board and Management to ensure that Development Plans are devised for each Director and implemented over time.

Induction and Training of Directors

New Directors continue to benefit from an orientation programme facilitated by the Corporate Secretary

Excellence In Governance

and designed to familiarise these Directors with the business and governing policies of the Group. Directors are expected to review the Code of Conduct and sign a Confidentiality Undertaking upon their joining the Group, and every year thereafter as affirmation of their agreement to be in compliance with the aforementioned documents.

The “Directors’ Corner” continues to be utilised for ongoing training of Directors in areas such as legal, regulatory, business and other risks applicable to the First Citizens Group and to their roles as Directors.

The particulars of training attended by the directors of the Bank, as arranged during the financial year are as follows:

- Anti-Money Laundering/Counter-Financing of Terrorism;
- FATCA Awareness Training;
- The Role of the Board in Corporate Strategy;
- First Citizens Segmentation and Analysis;
- Amendments to the Financial Institutions Act, Chapter 79:09;
- Overview of the Public Procurement and Disposal of Public Property Act;
- Amendments to the Companies Act, Chapter 81:01;
- Training on requirements under the Securities Act, Chapter 83:02 – Re-registration Requirements.

Remuneration

Remuneration of all employees, including Executive and Senior Management, is reviewed and monitored by the Human Resources Committee. The Bank’s Board has the responsibility to approve all remuneration plans recommended by the Human Resources Committee on behalf of First Citizens. The Human Resources Committee comprises all independent, non-executive Directors and is ably assisted by expert reports, including independent compensation surveys, when assessing any proposal presented by Management.

The role of the Human Resources Committee includes but is not limited to the following:

1. To approve and monitor the implementation of the Human Resources Strategic Plan in support of the Organisation’s Strategic focus.
2. To consider and make recommendations to the Board, as appropriate with reference to:

Compensation & Benefits

- The Committee shall review and recommend to the Board the compensation philosophy to be adopted by the Group.
- The Committee shall review and recommend to the Board, the annual cycle of total compensation recommended for Management based on market research, positioning and affordability.

Risk Assessment

- The Committee shall assess the risks to which the Human Resource function is exposed and provide its input to the Board Enterprise Risk Management Committee including:
 - Employee attraction and retention;
 - Employee engagement and performance;
 - Succession planning and talent management; and
 - Any other risk related to Human Capital that may arise from time to time.

Human Resources Committee Members

| | |
|----------------------|----------|
| Franka Costelloe – | Chairman |
| Savitree Seepersad – | Member |
| David Inglefield – | Member |
| Ingrid Melville – | Member |
| Jon Martineau – | Member |

The Government of the Republic of Trinidad and Tobago has a majority holding in First Citizens Bank Limited via First Citizens Holdings Limited. Directors of the Group are remunerated in accordance with policy guidelines established by the Government of the Republic of Trinidad and Tobago. The remuneration of all directors is fixed and does not include share options or variable bonus or other similar benefits.

Excellence In Governance

Reinforcing Loyalty and Independence

The Directors of First Citizens Bank Limited are independent in accordance with section 4.4 of the Central Bank of Trinidad and Tobago Corporate Governance Guideline. This attestation occurs both at inception and on an annual basis. Director appointments and/or re-appointments are always subject to shareholder approval at annual or special meetings.

On a quarterly basis, Directors submit information on commitments and obligations external to those at First Citizens, including information on appointments to other boards, not only for themselves but also for parties connected to them (refer to Appendix 2 for further details of the key information on Directors). Directors also demonstrate their commitment to the First Citizens Group by attending and contributing to the many meetings held every year. Appendix 3 provides details on all the Board and committee meetings held for First Citizens Bank Limited for the fiscal year ended September 30, 2019, along with the attendance of each Director or Member.

There is an established procedure regarding how conflicts of interest are managed. Directors declare actual or potential conflicts of interest upfront and recuse themselves from meetings (or portions thereof) where it has been deemed that a conflict of interest may exist. A Board Conflicts of Interest Register is maintained by the Company Secretary and is updated on a quarterly basis. Any material interest in a transaction or matter affecting the First Citizens Group would be treated within accordance with appropriate legislative guidance, including the provisions of the Companies Act, Chapter 81:01.

Loans to Directors, Officers and Relatives of Directors

Credit exposures to Directors, Officers and Relatives of Directors are monitored within the guidelines set out in the Financial Institutions Act, Chapter 79:09 of the Revised Laws of Trinidad and Tobago. Credit exposures are limited to 2% of the capital base of the Bank or two years' emoluments of the Director or Officer, whichever is the smaller sum. Any exception

to this limit is treated within accordance with the provisions of the Financial Institutions Act, Chapter 79:09. Credit exposures to Directors, Officers and Relatives of Directors must be approved by the Board of Directors (with appropriate recusal occurring in cases of potential conflicts of interest) and must also be on terms similarly favourable to those offered to the public.

Fostering Accountability

Communication of Information

First Citizens communicates all material and other information to its shareholders, regulators and other key stakeholders in accordance with its Investor Relations Policy. These disclosures occur by publication in the newspaper, on First Citizens' website or in the Annual Report. As a listed company, First Citizens is required to communicate the following information:

- Quarterly financial statements approved by the Board;
- Annual audited financial statements approved by the Board;
- Annual Reports;
- Material Changes in relation to its business, assets, ownership or operations;
- Declaration and payment of dividends to shareholders;
- Shareholdings in the Bank's shares by Directors, Senior Officers and their Connected Parties.

Accountability and Assurance through the Audit Committee

Audit Committees

The Financial Institutions within the First Citizens Group are each required by the Financial Institutions Act, Chapter 79:09 of the Revised Laws of Trinidad and Tobago to establish and appoint from among their number an Audit Committee. Audit Committees were established for the Bank as well as for four out of its five subsidiaries.

Excellence In Governance

The Audit Committee is the principal agent of the Board of Directors in overseeing, inter alia, the following:

1. Internal Audit Function

- To review and approve the annual internal audit plan;
- To oversee the Group's internal audit function, including reviewing reports submitted by the Chief Internal Auditor;
- To monitor and review the effectiveness of the internal audit;
- To authorise the Internal Auditor to carry out special investigations into any area of the organisation's operations which may be of interest and concern to the Committee;
- To ensure that the Group's Internal Audit Department is aware of the important issues of the Group (including major areas of change and new ventures) and that these are incorporated into its work plans;
- To ensure that internal audit has full, free and unrestricted access to all of the company's activities, records, property and personnel necessary to fulfil its agreed objective.

2. Management of the Engagement of the External Auditor

- To supervise the relationship with the external auditor, including recommending the firm in collaboration with the Finance department, to be engaged as the external auditor which must be appointed by the Bank's shareholders at the Annual Meeting, evaluating the external auditor's performance, determining the selection criteria for the appointment of the external auditor.
- To review and discuss with management and the external auditor the Group's critical accounting policies and the quality of accounting judgements and estimates made by management.
- To become familiar with and understanding the Group's system of internal controls and, on a periodic basis, review with both internal and

external auditors the adequacy of this system.

- To review the organisation's procedures in addressing compliance with the law and important corporate policies, including the company's Code of Conduct and AML/CFT compliance framework.
- To review and discuss the Group's annual financial statements with management and the external auditor and recommending that the Board approve these statements.

Non-Audit Services by External Auditor

External auditors might be requested to perform special non-audit services (outside of the statutory annual audit) as deemed necessary by management to the extent that such services do not in any way affect the independence of the external auditors or limit the scope of their independent audit. Such services should only be considered after consultation with and recommendation from the Chief Internal Auditor and Chief Financial Officer regarding the impairment of the external auditor's independence. In order to maintain the independence of the external auditors, specific policies exist governing the conduct of non-audit work. The Audit Committee of the Bank's Board shall review the extent of such non-audit services on an annual basis to ensure that such independence is not impaired.

The fees for audit services paid to our auditors amounted to \$6.8 million (2018/2019) inclusive of VAT. Fees incurred for non-audit work performed by the auditors amounted to \$5.1 million (2018/2019). A review of the non-audit services provided by the external auditor during the year was performed and the Audit Committee provided its assurance that the non-audit services would not impair the objectivity and independence of the external auditors.

Composition of Audit Committees

The First Citizens Group has established five Audit Committees among the Bank and subsidiaries. Each Committee consists of at least three Members, of which the majority are independent directors and

Excellence In Governance

at least one Member is a financial expert. A financial expert is defined by the Financial Institutions Act, Chapter 79:09 of the Revised Laws of the Republic of Trinidad and Tobago as a person who has the required financial education and substantive experience as:

- (a) a qualified accountant (i.e. a Member of the Institute of Chartered Accountants of Trinidad and Tobago or such other professional association approved by the Central Bank of Trinidad and Tobago from time to time);
- (b) an auditor;
- (c) a chief financial officer; or
- (d) a comptroller;

who otherwise has a sound understanding of generally accepted accounting principles, financial statements and how financial statements are prepared and audited.

Group Audit Committee Membership

Bank

Jayselle McFarlane – Chairman
Idrees Omardeen – Member
Ryan Proudfoot – Member

First Citizens Depository Services Limited

Idrees Omardeen – Chairman
Jayselle McFarlane – Member
Troy Garcia – Member

First Citizens Trustee Services Limited

Ian Narine – Chairman
Ingrid Melville – Member
David Inglefield – Member

First Citizens Investment Services Limited

Ian Narine – Chairman
David Inglefield – Member
Jayselle McFarlane – Member
Karen Darbasie – Member

First Citizens Bank (Barbados) Limited

Gregory Hinkson – Chairman
Wayne Kirton – Member
David Inglefield – Member

Related Party Transactions

According to the Financial Institutions Act, Chapter 79:09 of the Revised Laws of the Republic of Trinidad and Tobago, a related party is considered to be any of the following:

- (a) two or more companies with the same controlling shareholder or holding company;
- (b) a company in which another company has a significant shareholding;
- (c) the direct and indirect subsidiaries of a company;
- (d) a company in which another company has a significant shareholding; and
- (e) a controlling shareholder or holding company.

Transactions with related parties are carried out at arm's length. Additionally, related party transactions and balances have been disclosed in the financial statements in accordance with International Financial Reporting Standards (IFRS). The Audit Committee is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of related party transactions are effective. This confirmation is made to the Central Bank of Trinidad and Tobago on an annual basis and also forms part of the disclosures contained in the Directors' Report.

Risk Management and Controls

The Board Enterprise Risk Management Committee (BERM) was established to provide oversight of the Group Chief Executive Officer's and Senior Management's responsibilities regarding the identification and management of the Group's market, operational, compliance and reputational risks, which includes the development of strategic initiatives to address changing conditions.

This Committee, through the Group Chief Risk Officer, has oversight of the Group's Market Risk and Operational Risk and through the Chief Compliance Officer, has oversight for aspects of Compliance Risk, while having overall responsibility for:

1. Overseeing Senior Management's implementation of an Enterprise Risk Management framework and

Excellence In Governance

development of a defined Risk Appetite, while ensuring alignment to the Group's risk profile contained within the strategic objectives for the Bank and its subsidiaries/affiliates.

2. Reviewing with Senior Management, the Group's processes (including policies, procedures, guidelines, benchmarks, management committees and stress testing) for the identification and management of the risks associated with the business of the Group.
3. Planning for anticipated changes in identified risks, in line with changes in the environment and changes in business strategies.
4. Receiving and reviewing reports from Senior Management regarding compliance with applicable risk related policies, procedures and tolerances, and reviewing the Group's performance relative to same.
5. Reviewing and assessing the adequacy of the Group's liquidity and funding and the Group's capital (economic and regulatory and its allocation to the Group's businesses).
6. Receiving and reviewing reports on selected risk topics as management or the Committee deems appropriate.
7. Reviewing and discussing with management significant regulatory reports of the Group and remediation plans related to such.

BERM Committee Members

| | |
|----------------------|----------|
| Ryan Proudfoot – | Chairman |
| David Inglefield – | Member |
| Courtenay Williams – | Member |
| Ian Narine – | Member |

Some of the major achievements by the Group Enterprise Risk and Monitoring team were the revamping of the credit policy manual for Trinidad and Tobago and Barbados, the establishment of a Risk Appetite Dashboard to track key risk indicators

within the First Citizens Group, the enhancement of a Treasury/Risk Management Software System, the Information Security Management System and the Business Continuity Management System.

Strengthening Relationships with Shareholders

Shareholders rights and engagement

First Citizens' Investor Relations Policy states, inter alia, that the Group is committed to the creation and maintenance of a climate of open communication, founded upon the principles of timeliness, transparency and accuracy in the disclosure of material information (as defined below) between itself, its shareholders and key stakeholders.

The Annual Meeting of Shareholders creates an opportunity for the shareholders to engage the Board and Management on the Group's business activities, financial performance and other business-related matters. At these meetings, shareholders are informed of the rules, including voting procedures that govern Annual Meetings of Shareholders. The rules and voting procedures detail how shareholders can participate at meetings, are detailed in By-Law No. 1 of the Bank's By-Laws and are explained to Shareholders at Annual Meetings.

During the Annual Meetings of Shareholders, external auditors are called upon to present the Independent Auditor's Report. Following the presentation and before the resolution to receive the audited financials are read, shareholders are provided with the opportunity to direct questions to the external auditor and Management.

Customer Centricity at the Core

Customer Centric Committee Members

| | |
|----------------------|----------|
| Ian Narine – | Chairman |
| Jayselle McFarlane – | Member |
| Troy Garcia – | Member |
| David Inglefield – | Member |

Excellence In Governance

With the establishment of a Customer Centric Committee during the last financial period, the First Citizens Group has changed the way in which it manages customer relations and experiences. The Customer Centric Committee provides governance oversight, supports and monitors the customer centric strategy of the Group.

The Committee:

1. Provides guidance to Senior Management in relation to customer interface initiatives and programmes, including customer experience initiatives, segmentation, insight and analysis, satisfaction levels, customer service metrics and channel development;
2. Oversees the development and implementation of the customer centric strategic plan by Management;
3. Ensures rigour around decision-making and future proofing of customer experience concepts and initiatives;
4. Reviews the business cases, monitors the application of identified customer budgets from all areas of the business and where appropriate, makes recommendations to the Board;
5. Oversees monitoring and reporting structures, ensuring accurate metrics/targets are built into the customer experience programme, providing these metrics and targets to the Board;
6. Has input into the development of relevant strategies and key policies;
7. Reviews, inputs and evaluates significant or material marketing, communications and promotions activities, and/or consultation plans linked to the customer service strategy and the Group's positioning;
8. Conducts post project reviews of significant customer experience improvements or initiatives; and
9. Reports its activities to the Board when and with such recommendations as deemed appropriate or required.

A list of the recommendations contained in the Trinidad and Tobago Corporate Governance Code 2013, details on which recommendations have been fully or partially applied, and appropriate recommendations are shown here, in tabular form, in Appendix 1.

Excellence In Governance

Appendix 1

Principle 1 – Establish a Framework for Effective Governance

Every company should be headed by an effective Board, which is collectively responsible for the long-term success of the company.

| TTGC Recommendations | Applied | Explanation/Comments |
|--|---------|---|
| 1.1 The Board should establish and make publicly available a clear outline of its roles and responsibilities, including any formal delegations to Management. | √ | See 'Establishing a Framework of Effective Governance' and 'Strengthening Board Composition and Performance' sections |
| 1.2 The chairperson of the Board should be a non-executive Director and preferably an independent Director. Where the chairperson of the Board is not an independent non-executive Director, the Board should appoint a lead independent Director. | √ | See 'Establishing a Framework of Effective Governance' section |
| 1.3 The Board should demonstrate ethical leadership, which includes commitment to high ethical standards and responsible decision-making. | √ | See 'Establishing a Framework of Effective Governance' section |
| 1.4 The Board should ensure that it is supplied with information in a timely manner, in a form and of a quality appropriate to enable it to discharge its duties effectively. | √ | See 'Establishing a Framework of Effective Governance' section |
| 1.5 The Board should take into account the legitimate interests and expectations of all stakeholders. There should be active co-operation between corporations and stakeholders in creating wealth, employment, and the sustainability of financially sound enterprises. | √ | See 'Establishing a Framework of Effective Governance' and 'Fostering Accountability' sections |

Excellence In Governance

Appendix 1

Principle 2 – Strengthen the Composition and Performance of Board and Committees

There should be a balance of independence and diversity of skills, knowledge, experience, perspectives and gender among Directors so that the Board works effectively.

| TTGC Recommendations | | Applied | Explanation/Comments |
|----------------------|--|---------|---|
| 2.1 | The Board should appoint a sufficient number of independent Directors capable of exercising unbiased judgement, particularly in tasks where there is a potential for conflicts of interest. | √ | See ‘Establishing a Framework of Effective Governance’ and ‘Reinforcing Loyalty and Independence’ sections |
| 2.2 | Directors should be selected and appointed through rigorous and formal processes designed to give the Board a balance of independence and diversity of skills, knowledge, experience, perspectives and gender among Directors so that the Board works effectively. | √ | See ‘Strengthening Board Composition and Performance’ and ‘The Board Profile’ sections |
| 2.3 | A Committee with a majority of independent non-executive Directors should lead the Board’s nomination process and make recommendations to the Board. | √ | The Directors are appointed at an Annual Meeting. Recommendations will be carried out by the Corporate Governance Committee to all shareholders, including the majority shareholder |
| 2.4 | All Directors should receive induction training upon joining the Board and should regularly update and refresh their skills and knowledge. | √ | See ‘Induction and Training of Directors’ section |
| 2.5 | The Board should undertake a rigorous, transparent and formal annual evaluation of its own performance and that of its committees and of the individual Directors. | √ | See ‘Board Performance’ section |
| 2.6 | The Board should ensure that the remuneration of Directors and Senior Management is transparent, fair and reasonable. | √ | See ‘Remuneration’ section |

Excellence In Governance

Appendix 1

Principle 3 – Reinforce Loyalty and Independence

All Directors should act honestly and in good faith, in the best interest of the company, ahead of other interests.

| TTGC Recommendations | | Applied | Explanation/Comments |
|----------------------|---|---------|---|
| 3.1 | The Board should undertake an assessment of its independence on an annual basis and disclose in the annual report each non-executive Director it considers to be independent. | √ | See 'Board Performance' section |
| 3.2 | All Directors should be candidates for re-election, at intervals of no more than three years, subject to continued satisfactory performance. | √ | See 'Board Composition, Membership and Appointment' section |
| 3.3 | Members of the Board and Senior Management should disclose to the Board whether they, directly or indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company. | √ | See 'Reinforcing Loyalty and Independence' section |
| 3.4 | Directors should demonstrate the capacity to commit the time needed to be fully effective in their roles. | √ | See 'Reinforcing Loyalty and Independence' section |

Excellence In Governance

Appendix 1

Principle 4 – Foster Accountability

The Board should present an accurate, timely, balanced and understandable assessment of the company's performance, position and prospects.

| TTGC Recommendations | | Applied | Explanation/Comments |
|----------------------|--|---------|--|
| 4.1 | Board should promote accurate, timely and balanced disclosure of all material matters concerning the company. | √ | See 'Establishing a Framework of Effective Governance' section |
| 4.2 | The Directors should state in the annual report their responsibility towards the integrity of the financial reports. This includes a statement from Directors that these reports comply with applicable financial reporting standards and present a true and fair view of the financial affairs of the company. | √ | See 'Fostering Accountability' and 'Directors Report' sections |
| 4.3 | The Board should, on an annual basis, report to shareholders and stakeholders on the external auditor's involvement in non-audit work and fees paid to auditors. This disclosure should differentiate between fees for audit work and fees for non-audit work. | √ | See 'Fostering Accountability' section |
| 4.4 | The Board should, on an annual basis, verify that the company has appropriate processes that identify and manage potential and relevant risks. | √ | See 'Fostering Accountability' section |
| 4.5 | Each company should establish an Audit Committee of the Board with responsibilities that include, but are not limited to: <ul style="list-style-type: none"> a. Recommending the appointment of external auditors; b. Assessing the suitability and independence of external auditors; c. Following-up on recommendations made by internal and external auditors; d. Overseeing all aspects of the company-audit firm relationship; e. Monitoring and reviewing the effectiveness of the internal audit function; f. Promoting integrity in financial reporting. | √ | See 'Fostering Accountability' section |
| 4.6 | Boards should report annually to shareholders on how the company is implementing the Corporate Governance Principles and explain any significant departure from Recommendations supporting each Principle. | √ | See this section – Appendix 1 |

Excellence In Governance

Appendix 1

Principle 5 – Strengthen Relationships with Shareholders

The Board should promote constructive relationships with all shareholders that facilitate the exercise of their ownership rights and encourage their engagement with the company.

| TTGC Recommendations | Applied | Explanation/Comments |
|--|---------|---|
| 5.1 The Board should facilitate the exercise of ownership rights by all shareholder groups, including minority or foreign shareholders and institutional investors. | √ | See ‘Strengthening Relationships with Shareholders’ section |
| 5.2 The Board should ensure that all shareholders have the opportunity to engage with the company and participate effectively in annual and special meetings. | √ | See ‘Strengthening Relationships with Shareholders’ section |
| 5.3 During the annual and special meetings, the Board should facilitate questioning of external auditors and Senior Management by shareholders, as moderated by the chairperson. | √ | See ‘Strengthening Relationships with Shareholders’ section |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|------------------------------|--------------------------------------|--|---|--|---|
| Anthony Isidore Smart | March 14, 2019 | First Citizens Holdings Limited – Chairman First Citizens Bank Limited – Chairman First Citizens Investment Services Limited – Chairman First Citizens Bank (Barbados) Limited – Chairman FCCR First Citizens Costa Rica S.A. – Chairman First Citizens Portfolio & Investment Management Services Ltd. – Chairman Koot Real Estate Limited – Director Eight Moka Fairways Development Limited – Director A&W Isidore Smart Investments Ltd. – Director | First Citizens Holdings Limited – Chairman First Citizens Bank Limited – Chairman First Citizens Investment Services Limited – Chairman First Citizens Bank (Barbados) Limited – Chairman FCCR First Citizens Costa Rica S.A. – Chairman Koot Real Estate Limited – Director Eight Moka Fairways Development Limited – Chairman | Gittens, Smart & Co. Attorneys-at-Law – Senior Partner | No |
| Courtenay B. Williams | March 14, 2019 | First Citizens Holdings Limited – Director First Citizens Bank Limited – Director First Citizens Asset Management Limited – Chairman First Citizens Trustee Services Limited – Director First Citizens Financial Services (St. Lucia) Limited – Chairman Art Society of Trinidad & Tobago – Member Trincity College Limited – Director Legislative Committee of AMCHAM – Member NGC Bocas Lit Fest – Member Electrical Industries Limited – Director 3 Champs Elysees Ltd – Chairman Public Service Commission – Commissioner | First Citizens Holdings Limited – Director First Citizens Bank Limited – Director First Citizens Asset Management Limited – Chairman First Citizens Trustee Services Limited – Director First Citizens Financial Services (St. Lucia) Limited – Chairman Art Society of Trinidad & Tobago – Member Trincity College Limited – Director Legislative Committee of AMCHAM – Member NGC Bocas Lit Fest – Member | Colonial Life Insurance Company (Trinidad) Limited – Corporate Secretary Lex Caribbean Attorneys-at-Law – Consultant Hugh Wooding Law School – Tutor | No |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|-----------------------|--------------------------------------|--|--|--|---|
| Ryan Proudfoot | February 16, 2017 | First Citizens Bank Limited – Director First Citizens Investment Services Limited – Director First Citizens Brokerage & Advisory Services Limited – Chairman First Citizens Investment Services (Barbados) Limited – Chairman First Citizens Bank (Barbados) Limited – Director First Citizens Portfolio & Investment Management Services Ltd. – Director Total Office (2006) Limited – Director Total Office Limited – Director Total Office (Caribbean) Limited – Director Total Office (St. Lucia) Limited – Director Total Office (Guyana) Inc. – Director Trinidad and Tobago Chamber of Industry & Commerce – Vice President AI Energy Ltd. – Director | First Citizens Bank Limited – Director First Citizens Investment Services Limited – Director First Citizens Brokerage & Advisory Services Limited – Chairman First Citizens Investment Services (Barbados) Limited – Chairman First Citizens Bank (Barbados) Limited – Director First Citizens Portfolio & Investment Management Services (Barbados) Limited – Chairman First Citizens Bank (Barbados) Limited – Director Total Office (2006) Limited – Director First Citizens Bank (Barbados) Limited – Director Total Office (2006) Limited – Director Total Office Limited – Director Total Office (Caribbean) Limited – Director Total Office (St. Lucia) Limited – Director Total Office Limited – Director Total Office (Caribbean) Limited – Director Total Office (St. Lucia) Limited – Director Parex Resources (Trinidad) Limited – Director Trinidad and Tobago Chamber of Industry & Commerce – Vice President | Total Office Limited – Managing Director | Yes |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|-------------------|--------------------------------------|--|---|----------------------------|---|
| Ian Narine | February 16, 2017 | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director First Citizens Investment Services Limited – Director FCCR First Citizens Costa Rica S.A. – Director First Citizens Portfolio & Investment Management Services Ltd. – Director Trinidad & Tobago Stock Exchange Limited – Deputy Chairman Telecommunications Services of Trinidad & Tobago – Director Amanah Securities Ltd. – Director | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director First Citizens Investment Services Limited – Director FCCR First Citizens Costa Rica S.A. – Director Trinidad & Tobago Stock Exchange Limited – Deputy Chairman Telecommunications Services of Trinidad & Tobago – Director Crane Resorts Holdings Limited – Director National Insurance Board of Trinidad and Tobago – Member | N/A | Yes |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|---------------------------|--------------------------------------|--|--|--|---|
| Franka Costelloe | February 16, 2017 | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Chairperson First Citizens Investment Services (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director Trinidad & Tobago Manufacturers Association – Director Lifetime Roofing Ltd. – Director Pet Life Veterinary Hospital Limited – Director Pet Life North Limited – Director | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Chairperson First Citizens Investment Services (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director Trinidad & Tobago Manufacturers Association – Director Industrial Estates Tenants Association – Member | Lifetime Roofing Limited – Director | Yes |
| Savitree Seepersad | March 14, 2019 | First Citizens Bank Limited – Director Seized Assets Advisory Committee – Chairperson | First Citizens Bank Limited – Director Seized Assets Advisory Committee – Chairperson | Ministry of Finance – Deputy Permanent Secretary | No |
| Idrees Omardeen | March 14, 2019 | First Citizens Bank Limited – Director First Citizens Asset Management Limited – Director First Citizens Investment Services Limited – Director First Citizens Brokerage & Advisory Services Limited – Director Omardeen School of Accountancy Limited – Director Omardeen Properties Ltd. – Director Omardeen Professional Bookstore Ltd. – Director | First Citizens Bank Limited – Director First Citizens Asset Management Limited – Director First Citizens Investment Services Limited – Director First Citizens Brokerage & Advisory Services Limited – Director Omardeen School of Accountancy Limited – Director | Omardeen School of Accountancy Limited – Managing Director | No |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|---------------------------|--------------------------------------|--|---|--|---|
| Jayselle McFarlane | March 14, 2019 | First Citizens Holdings Limited – Director First Citizens Bank Limited – Director First Citizens Asset Management Limited – Deputy Chairperson First Citizens Investment Services Limited – Director South West Regional Health Authority – Deputy Chairperson/Director Clco Trust Corporation Limited – Deputy Chairperson | First Citizens Holdings Limited – Director First Citizens Bank Limited – Director First Citizens Asset Management Limited – Deputy Chairperson First Citizens Investment Services Limited – Director South West Regional Health Authority – Director Clco Trust Corporation Limited – Deputy Chairperson | McFarlane & Associates – Consultant | No |
| Troy Garcia | March 14, 2019 | First Citizens Bank Limited – Director First Citizens Investment Services Limited – Director First Citizens Asset Management Limited – Director Parts World Limited – Director High Performance Coatings Limited – Director | First Citizens Bank Limited – Director First Citizens Investment Services Limited – Director First Citizens Asset Management Limited – Director Parts World Limited – Director High Performance Coatings Limited – Director United Bearings and Equipment Agencies – Director | Parts World Limited – Chief Executive Officer High Performance Coatings Limited – Managing Director | No |

Excellence In Governance

Appendix 2

KEY INFORMATION ON DIRECTORS

| Name of Director | Date of last appointment as director | Present directorship or chairmanship | Directorship or chairmanships held over the preceding three years | Other principal commitment | Due for Reappointment – Annual Meeting 2020 |
|-------------------------|--------------------------------------|---|---|--|---|
| David Inglefield | February 16, 2017 | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director First Citizens Investment Services Limited – Director First Citizens Investment Services (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director Inglefield, Ogilvy & Mather – Chairman Trinidad Cement Limited – Chairman Oriole Holdings Ltd. – Director Sygnet DGT Ltd. – Director | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director First Citizens Investment Services Limited – Director First Citizens Investment Services (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director First Citizens Investment Services (Barbados) Limited – Director First Citizens Bank (Barbados) Limited – Director Inglefield, Ogilvy & Mather – Chairman Trinidad Cement Limited – Director | Inglefield, Ogilvy & Mather – Chief Executive Officer Prince of Wales Trust in the United Kingdom Youth Business of T&T – Member | Yes |
| Ingrid Melville | February 16, 2017 | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director FCCR First Citizens Costa Rica S.A. – Director Tobago Regional Health Authority – Director Caribbean People Centered Development Institute – Managing Director | First Citizens Bank Limited – Director First Citizens Trustee Services Limited – Director FCCR First Citizens Costa Rica S.A. – Director Tobago Regional Health Authority – Director | Ingrid Melville & Co. Attorneys-at-Law – Private Practitioner | Yes |

Excellence In Governance

Appendix 3

DIRECTORS' ATTENDANCE AT BANK BOARD AND COMMITTEE MEETINGS

October 1, 2018 to September 30, 2019

| Name of Director/ No. of Meetings held | Bank Board (including Special Meetings) | Bank Audit (including Joint Audit) | Credit | Board Enterprise Risk Management |
|---|---|--|--------|---|
| | 17 | 7 | 11 | 4 |
| Anthony Smart | 17 | - | - | - |
| Courtenay Williams | 11 | - | - | 3 |
| Ryan Proudfoot | 13 | 6 | 10 | 4 |
| Ian Narine | 13 | - | 9 | 3 |
| Franka Costelloe | 16 | - | - | - |
| Jayselle McFarlane | 13 | 6 | - | - |
| Idrees Omardeen | 12 | 7 | - | - |
| Troy Garcia | 14 | - | 10 | - |
| Savitree Seepersad | 14 | - | - | - |
| David Inglefield | 12 | - | - | 2 |
| Ingrid Melville | 12 | - | - | - |

Excellence In Governance

Appendix 3

| | Human Resources | Corporate Governance | Board Tenders | Customer Centric |
|--|-----------------|----------------------|---------------|------------------|
| | 4 | 5 | 4 | 3 |
| | - | - | - | - |
| | - | 5 | 3 | - |
| | - | - | - | - |
| | - | - | 3 | 3 |
| | 4 | 5 | - | - |
| | - | - | - | 2 |
| | - | - | - | - |
| | - | - | 3 | 3 |
| | 4 | - | - | - |
| | 4 | - | - | 3 |
| | 3 | 2 | - | - |

Excellence In Governance

Appendix 4

SKILLS MATRIX FOR DIRECTORS OF FIRST CITIZENS BANK LIMITED

| DIRECTORS | Finance & Accounting | Real Estate/ Commercial Business | Governance/ Compliance | Strategic Expertise | Board Experience | Banking/ Finance | Legal |
|-----------------------|----------------------|----------------------------------|------------------------|---------------------|------------------|------------------|-------|
| Anthony Isidore Smart | MS | VS | MS | MS | VS | MS | VS |
| Courtenay Williams | MS | VS | VS | MS | VS | VS | VS |
| Franka Costelloe | MS | VS | VS | MS | VS | MS | NS |
| Ryan Proudfoot | MS | MS | MS | MS | MS | VS | MS |
| Ian Narine | VS | MS | MS | VS | VS | VS | NS |
| Troy Garcia | MS | VS | MS | MS | MS | MS | MS |
| Idrees Omardeen | VS | VS | MS | VS | MS | MS | MS |
| David Inglefield | MS | MS | VS | VS | MS | MS | MS |
| Savitree Seepersad | VS | NS | MS | MS | MS | NS | NS |
| Jayselle McFarlane | VS | VS | VS | MS | VS | MS | MS |
| Ingrid Melville | MS | VS | VS | VS | VS | NS | VS |

Key: -

Very Skilled (VS) = Expert/Competent

Moderately Skilled (MS) = Familiar/Fair/Average

No Skill (NS) = Unfamiliar/Inadequate Skill

Excellence In Governance

Appendix 4

| | Info Technology | Risk Management | Human Resources | Industrial Relations | Securities Analysis | Communications/ Public Relations/ Marketing | Other Skills |
|--|-----------------|-----------------|-----------------|----------------------|---------------------|---|---|
| | NS | MS | MS | MS | NS | MS | |
| | NS | MS | MS | MS | NS | MS | Mediation, AML/Compliance |
| | MS | MS | VS | MS | NS | MS | |
| | MS | MS | NS | NS | MS | NS | |
| | MS | VS | NS | NS | VS | MS | Islamic Finance and Behavioural Finance |
| | NS | MS | MS | MS | NS | VS | |
| | MS | MS | MS | MS | MS | MS | |
| | MS | MS | VS | VS | NS | VS | |
| | NS | MS | MS | NS | NS | NS | AML/ Compliance |
| | NS | MS | VS | MS | NS | NS | |
| | MS | MS | MS | MS | NS | MS | |





INTEGRITY

Banking Transparency



In 2019 the First Citizens Group initiated an employee engagement campaign under the banner of **Proud to be First Citizens**. This sense of pride emanated from the celebration of 25 years as First Citizens, a journey of continuous improvement amounting to the success that the Group enjoys today. As an organisation we are proud of our employees who are the central pillar of the Group. We are proud of our communities, which we continue to support through our Corporate Social Responsibility initiatives. We are proud of who we are. We are Proud to be First Citizens!

Pride in Action





EMPLOYEE OF THE YEAR

RAJIV SOODOO



I joined the First Citizens Group 14 years ago and I have never regretted my decision. First Citizens has always been family-oriented and that's what stood out to me the most. Families have ups and downs but throughout the journey they are supportive through the struggles, nurture and pick you up when you fall and award, motivate and encourage when you experience successes.

"Being humble means recognising that we are not on earth to see how important we can become, but to see how much difference we can make in the lives of others."

– Gordon Hinckley

MANAGER OF THE YEAR

CHERYL-ANN LA ROCHE



Being First is...understanding the purpose of your journey and being prepared to redefine the story of who you are to ensure that you achieve success. I joined the organisation many years ago as a CSR/Teller and as I redefined myself, so did the organisation and today we are both living testimonies of success.

Pelé said, "Success is hard work, perseverance, learning, studying, sacrifice and most of all, loving what you do".

"I am proud to be First Citizens, I am proud to be first."





YOUTH

CULTURE

WOMEN

ENVIRONMENT

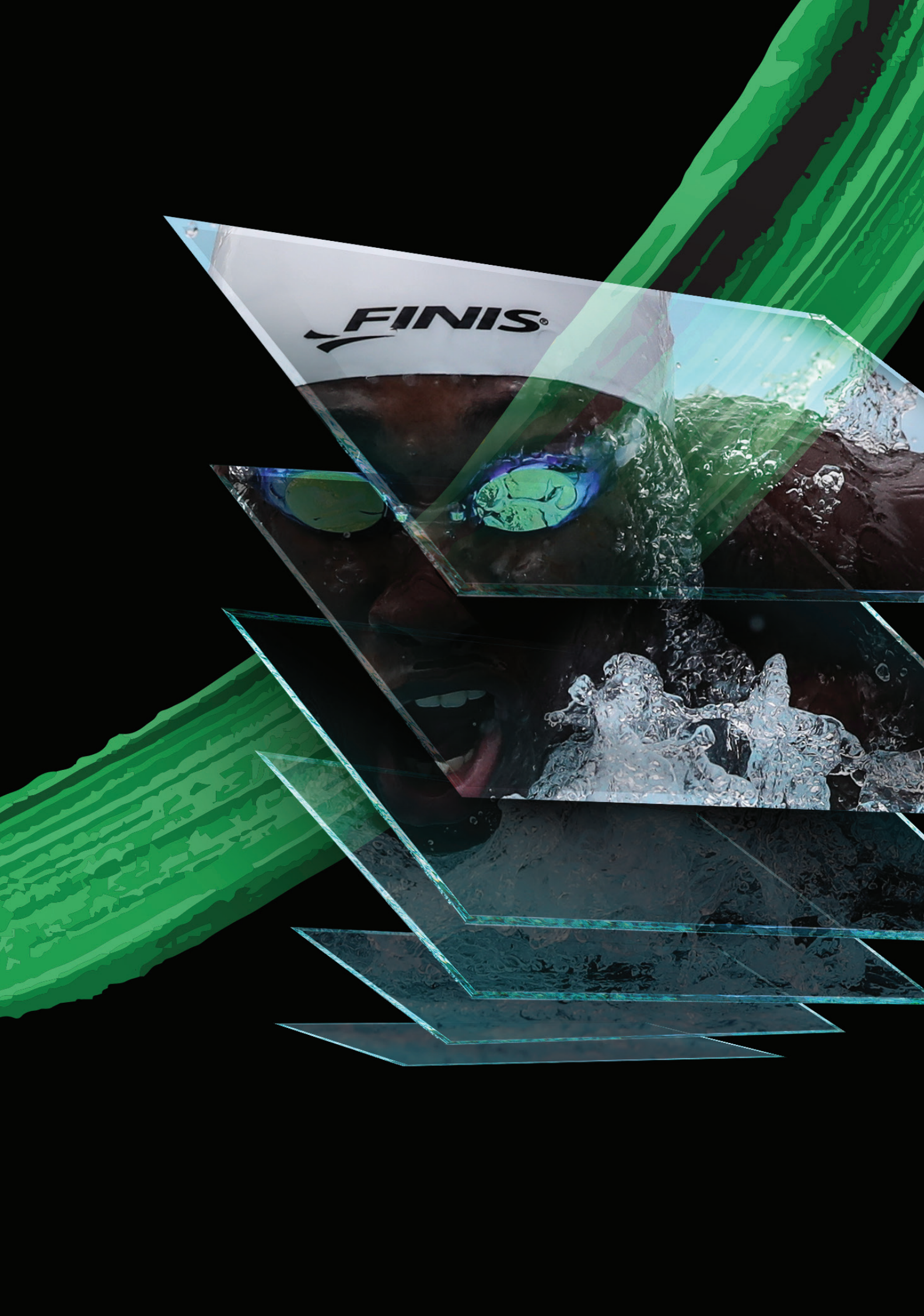
SPORT



INTEGRITY

Banking Transparency

CORPORATE SOCIAL
RESPONSIBILITY





INTEGRITY

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SPORT










SPORT

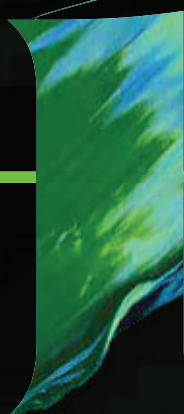
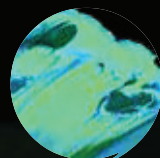
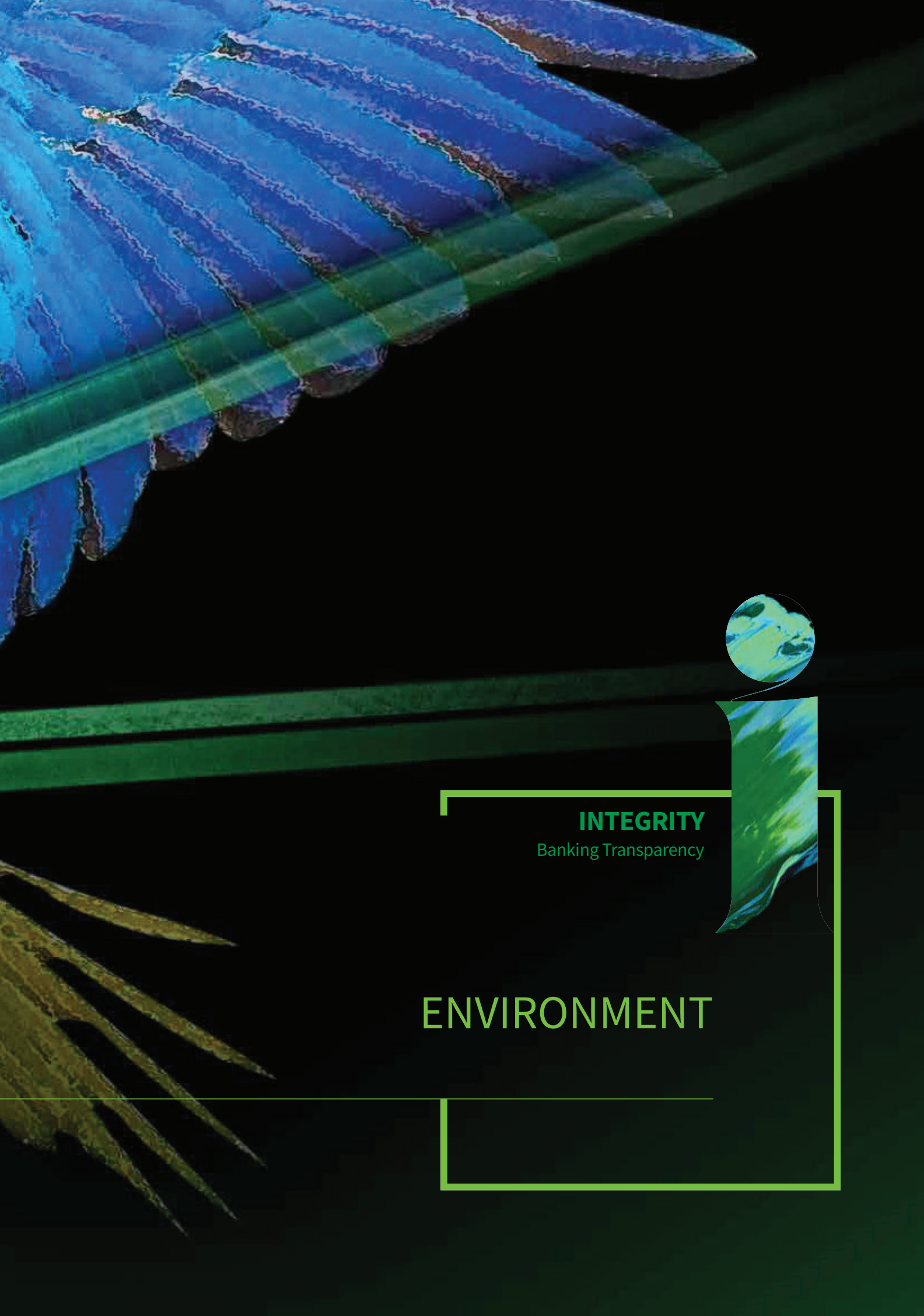


There's nothing quite like a sporting event in the Caribbean – it's infectious; dizzying and thrilling.

In victory or defeat, the intensity remains the same. How could we not champion with the same passion and commitment, the development of our people through sport?

-  First Citizens Sports Awards
-  First Citizens Cup Football Competition
-  15th Annual First Citizens Schools' Chess Championship
-  UWI Spec Half Marathon 2018
-  Secondary Schools' Football League
-  2018 Tobago House of Assembly Sports Awards
-  CariFin Games





INTEGRITY

Banking Transparency

ENVIRONMENT



ENVIRONMENT



Blessed with such abundance, it's our prerogative to protect the integrity of our unique natural environment and allow it to inspire the causes we support. Our efforts include encouraging responsible action and promoting sustainable practices for our collective wellbeing.

Beautification of Welches Primary School – Barbados

Pointe-à-Pierre Wildfowl Trust Calendar

First Citizens Play Park Initiatives

Awai Lands, Belmont

Harpe Place, Port of Spain

Homes of Adventure, Plymouth

United Way National Day of Caring 2019
TRINIDAD

Couva Children's Home & Crisis Centre

The Cotton Tree Foundation

Mothers' Union Children's Home

Raffa House

TOBAGO

Mason Hall Home for Aged

Montgomery Government Primary School

Scarborough Methodist Primary School

Signal Hill Government Primary School



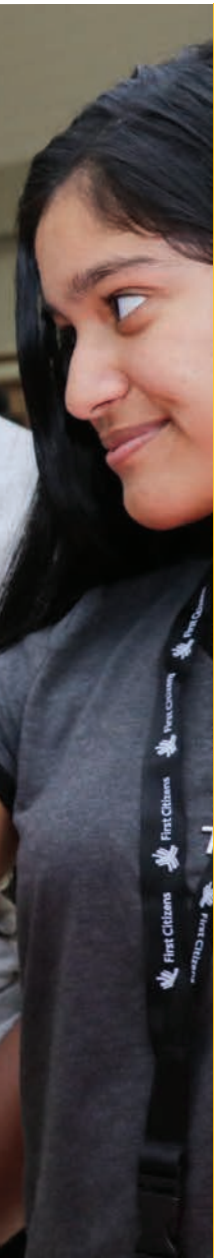


INTEGRITY

Banking Transparency

THE ADVANCEMENT OF WOMEN













Caribbean women are among the strongest, most determined, self-actualised in the world. Their success, despite incredible odds, is nothing short of outstanding. They continue to inspire us to create partnerships which encourage equality, empowerment and sustainability, starting with our most ambitious daughters across the region.

First Citizens Women First Conference

First Citizens Girls First Festivals

The First Citizens Fund for The Advancement of Women:
A designated fund used to support initiatives related to the advancement of women and ending violence against women and children.

-  Bridge of Hope 2005
-  Coalition Against Domestic Violence
-  Couva Children's Home and Crisis Nursery
-  Myrtle's Place
-  Rainbow Rescue
-  Rape Crisis Society of Trinidad and Tobago
-  Sylphil Home in Love
-  Raffa House
-  Chickland Children's Home






INTEGRITY

Banking Transparency

CULTURE



CULTURE



The rich, vibrant expressions of our Caribbean nations are an inherent source of pride and wonder. This unique culture is what sets us apart from the rest of the world. It is the reason our sponsorships encompass a wide range of initiatives from music to dance to language and especially those which highlight our indigenous roots.

-  Divali Nagar 2018
-  The Contemporary Choreographers' Collective (COCO) Dance Festival
-  A Taste of Steel
-  First Citizens Clarke Road United's Indian Arrival Day Community Show
-  First Citizens Fusions – Barbados
-  De Big Show Calypso Tent – Barbados
-  Crop Over Opening Gala & Ceremonial Delivery of the Last Canes Formerly Citifest – Barbados
-  First Citizens/Official Bank of Carifesta XIV
-  Miss Tobago Heritage Personality 2019
-  First Citizens Supernovas Steel Orchestra
-  First Citizens Dragon Boys Tassa Group






INTEGRITY

Banking Transparency

YOUTH DEVELOPMENT AND EDUCATION



YOUTH DEVELOPMENT AND EDUCATION



Our youth have a vision of tomorrow that most of us have never even imagined. They are naturally curious, fearless, capable, and quick to innovate. Imagine the possibilities that might come with enthusiastic direction, purposeful education and the encouragement to excel and find their purpose academically and artistically.

-  Vauxhall Primary School –
Unveiling of Mural and Presentation – Barbados
-  TUCO/First Citizens National Junior Calypso Monarch
-  TUCO/First Citizens Junior Calypso Roving Tent
-  The Consortium of Disability Organisations’
Annual Arts and Music Programme
-  First Citizens National Poetry Slam
-  First Citizens UWI Internship Programme
-  The Derek Walcott Festival

