

 **OTIB, JA.**



2023



ANNUAL DISCLOSURE

BY: OTIB, JA. LIMITED

CONTENTS

INTRODUCTORY SHEET 1

ABOUT OTIB, JA. 2

DISCLOSURE 4

COMMITMENT 15

This ESG Report is published by OTIB, JA. Limited in alignment with SASB® Reporting Standards maintained under the International Sustainability Standards Board (ISSB). These standards include but are not limited to the ISSB’s general requirements standard IFRS S1. OTIB, JA. Limited’s ESG Reports identify sustainability-related risks and opportunities that are anticipated, or have been experienced and managed by the firm. These extend beyond climate-related aspects (which are addressed in IFRS S2), and provide disclosures aligned with investor needs.



Mission

Continually empower individuals and firms economically.



Vision

Develop as a multinational corporation, known internationally for exceeding expectations by way of our provision and support of extraordinary people, products and services.



Core Values

Respectful. Fair. Ethical.

#*positiveimpactja* Meet

OTIB, JA.

OTIB, JA. sits atop a multinational corporation built to empower entrepreneurs and help businesses grow their income.



WWW.OTIBJA.COM

34 Lady Musgrave Road, Suite #18
Kingston 5, Jamaica W.I.



About OTIB, JA.

The Firm

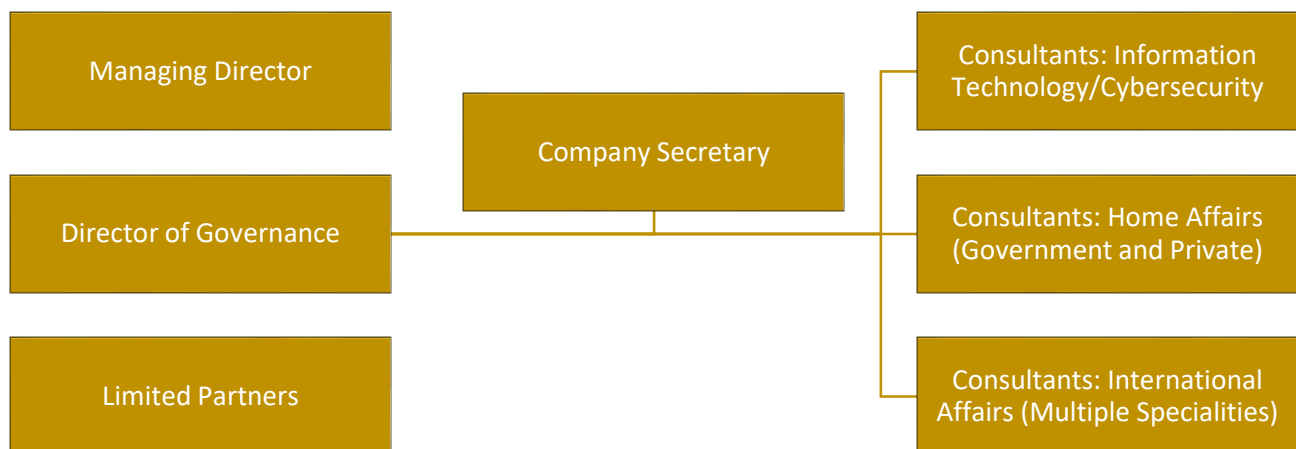
OTIB, JA. Limited is a small private equity firm that was registered as a Jamaican sole proprietorship in December 2016 and transitioned into a limited liability company in January 2020. It has its registered office at 34 Lady Musgrave Road, Kingston 5, Jamaica W.I. and has a subsidiary in Wyoming, USA.

The firm has a multinational presence through its ownership of Glov Equity LLC. The Directors of OTIB, JA. are Masters of Business Administration. They are trained and experienced in financial investing. They are also trained and experienced in the implementation of the ISO 9001:2015 Quality Management System, and the Environmental Social and Governance framework. The firm is certified in the delivery of international best practices as an approved business development organization for the Development Bank of Jamaica.

OTIB, JA. Limited is focused on making a sustainable positive impact as guided by the UN SDG-17 targets.



Organization Chart



About OTIB, JA.

B2B Support

OTIB, JA. Limited is a high standard business that serves other businesses.

The practice of responsible corporate citizenship, delivers value when companies optimize their core competencies. Companies must address opportunities, goals, and operational context issues in the environmental, social, and governance aspects of business. OTIB, JA. understands this and so uses its knowledge and experience to effectively equip clients to formally improve in organized, managed and sustainable ways. Through the firm's support, portfolio clients gain vital competitive advantage to meet international standards and outperform market competitors.

Private Equity

OTIB, JA.'s limited partnership fund is not listed on public exchanges. The firm is currently building a twenty-five-million-dollar (US\$25,000,000) sustainability development fund for impact investments in Jamaican and Caribbean enterprises. The fund will be used for investments in a select cadre of sustainable, positive impact ventures that allow for the addressing of ESG concerns.

ESG Concerns

Carbon footprint, waste reduction, resource use, compensation practices, product safety, service safety, and the reduction of inequalities are some of OTIB, JA.'s local and regional ESG concerns.

OTIB, JA. is also concerned with climate change, water scarcity, food systems, affordable clean energy, industry innovation and infrastructure.

ESG Solutions

OTIB, JA. offers a plethora of business support services that are guided by ESG tenets. However, at its core, the firm is a private equity firm that is focused on impact investing.

ESG Reporting Focus

Disclosure topics

The focus of OTIB, JA.'s annual ESG disclosure is in keeping with the international industry standards of the Sustainability Accounting Standards Board (SASB). The firm's disclosure topics are focused on social capital, human capital, business model, leadership and governance. Specifically:

- Data Security;
- Transparency and Fairness;
- Employee Empowerment (engagement, diversity and inclusion);
- ESG Investment Management;
- Financed Emissions Monitoring; and
- Business Ethics.



Our ESG Approach

OTIB, JA. Limited is committed to addressing environmental, social and corporate governance issues through practices, policies, services and investments that are guided by our desire to make a sustainable positive impact. We are committed to preserving earth's natural resources. We promote diversity, equity, and inclusion in the workforce. We engage with and empower both employees and portfolio clients. In addition, we operate with transparent integrity while serving our communities. These commitments reinforce our core values and reaffirm our egalitarian pledge to help advance a most inclusive economy that fosters sustainable growth and opportunities for everyone.

Our commitment to sustainable development is aligned with the United Nation's SDG-17. This approach is taken for both our internal operations and those external operations in which we either hold or seek to hold an equity stake or interest.

The way we manage ESG factors impacts our business and stakeholders. Our ESG approach impacts our clients, employees, partners, communities, and ultimately the longer term value of our company. It remained important during the reporting period, therefore, to communicate this to our stakeholders. A big part of our ESG approach in 2023 included educating our clients, prospective clients and partners about the benefits of the ESG framework in business. We also supported the growing integration of ESG factors in global investment choices during the period.

Disclosure

We believe that the global growth in sustainable investing heralds an era of great sustainable progress. Our ESG approach was therefore sharpened during the reporting period, as we acknowledged the unique position we are now in as an impact-investing, private equity firm seeking to impact upon the Latin American and Caribbean region.

Strategic Pillars

In 2023, we assessed our ESG materiality map and better aligned our approach to international best practices, industry benchmarks and SASB standards. We have identified four categories of great import and six pillars therein.

SOCIAL	HUMAN	BUSINESS	GOVERNANCE
Upholding strong data security and client privacy practices.	Ensuring diversity, engagement and inclusion in a broad base of valued, respected and supported employees.	Incorporating ESG factors in our investment management.	Maintaining highest professional standards of ethics, performance and conduct.
Giving transparent information and fair advice to clients.		Monitoring, measuring and managing financed emissions.	



Data Security



Employee Empowerment



ESG Investments



Transparency



Financed Emissions Monitoring



Business Ethics

Disclosure

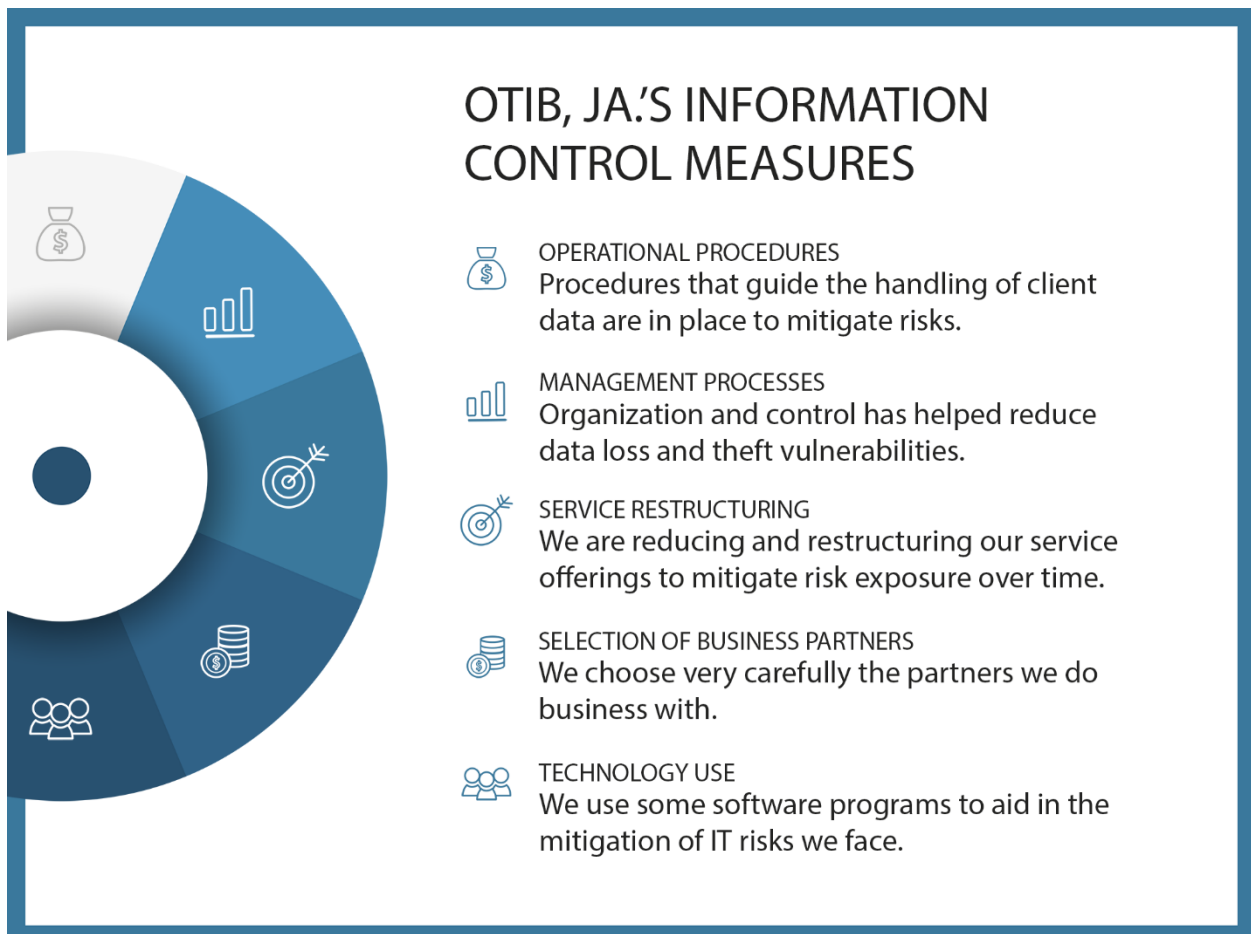
Data Security

In 2023 we were entrusted with client data from a number of Jamaican individuals and firms. Some of this included sensitive information that had to be stored and sometimes shared with external entities. This may always be the case for OTIB, JA. Limited given the nature of our business. There are always, therefore, significant risks associated with the exposure of sensitive client information through cybersecurity breaches and other malicious activities, or employee negligence. We remained committed throughout the reporting period, to upholding strong data security practices that helped us reduce such risks.

Our Approach to Identifying and Addressing Data Security Risks

OTIB, JA. Limited does a biennial posture test to assess risks associated with its information security system. This is done by an external IT consultant who the firm also contracts when such services are required by portfolio clients. The biennial tests involve the testing of internal controls, as well as risk assessment exercises and external vulnerabilities testing. We do an informal internal audit each year, to ensure that there were no breaches and to satisfy ourselves that our controls were effective. No posture test was done in this reporting period.

As it stands the firm has several information technology control measures in place. These remained effective in 2023.



Disclosure

We have noticed that phishing attacks to our Gmail e-mail accounts have continued. These have had no impact on our data security because our operational procedures forbid the clicking of links and the accessing of websites that are not preapproved by our internal team. It is, however, noteworthy because our otibja.com domain e-mails are not attacked in that way. It is also noteworthy that the attacks we have been able to identify, all originated outside of Jamaica. They have not seemed targeted so far but instead seemed broad-based and general.

Our internal organization around the management of our information security is similar to that required by the ISO/IEC 27001 ISMS. Our managerial commitment, our authorization processes, our confidentiality agreements, and our independent security reviews are a few such areas. So, though the firm has not yet fully adopted the ISMS standard, we have found value in its tenets.

We have thankfully not experienced a data security breach in this reporting period.

Policies and practices

Our policies and practices relating to client privacy begin with a standard contract that includes a confidentiality clause for both us and our clients to adhere to. We collect client information via an in-house scan or, if necessary, by using an encrypted electronic data transfer mechanism. We do not collect, use or store client information without explicit consent and/or delivery by our signed clients. The information we collect is used as needed and immediately stored in a secured cloud storage area. We then keep the data for seven years in accordance with anti-money laundering and counter-terrorism statutes. Stored documents are only downloaded from the cloud for usage when clients request additional services. Documents are then returned to the secured cloud storage immediately thereafter.

We store and use client information that includes communications (records and content), demographic data, personally identifiable information and confidential business information. We use demographic data to confirm the communities we serve, as is required to meet our ESG goals. We use confidential business information only to produce work product for clients as must be requested by said clients. This may include business plans, patent applications, fundraising documents and so on. Additionally, we use personal data to confirm identity as required by anti-money laundering and counter-terrorism laws. We never sell this information and we only share with third parties as explicitly agreed by clients; unless the law dictates otherwise. All outbound electronic transfers of information are done using an encrypted electronic data transfer mechanism.

No independent data protection impact assessments were done during the reporting period. No data breaches were identified during the reporting period. If we were to experience a data breach, our storage equipment would be taken offline and all stakeholders would be immediately informed.

Transparency

Our provision of transparent information and fair advice to partners and portfolio clients brought the collective interest of all stakeholders into alignment in 2023. Our transparency and fairness limited conflicts of interest. To ensure fairness, we developed a culture of providing partnership agreements that match our limited partners' investment profiles and individual deal desires. We also ensured that our prospective investors understood the nature of our investment strategy risks. To ensure transparency, we used enhanced disclosure practices to provide adequate, clear information about our regulatory records, professional integrity, and services.

Disclosure

Regulatory Records

OTIB, JA. Limited is an emerging impact investment fund manager for the Latin American and Caribbean region. The firm is a private equity company that operates from Jamaica W.I. This did not require licensing in the jurisdiction during the reporting period. The firm accepts limited partners who must invest a minimum of US\$1-million. Investments with this minimum (or greater) were, and still are, unregulated by the authorities. Our LP investments are instead guided by the Jamaican Financial Services Commission's Revised Exempt Distribution Guidelines. This too, did not, and still does not, require licensing.

To date, no member of OTIB, JA.'s human resource team, neither employee nor decision-maker, has ever been under investment-related investigation, or client-initiated complaint, or private civil litigation, or any other regulatory proceedings.



Professional Integrity

No legal proceedings have ever been brought against OTIB, JA. Limited. That did not change in 2023. So the firm did not suffer monetary losses as a result of any legal proceedings associated with any lack of information transparency during the reporting period. None related to false advertising, transparency of small print, marketing to vulnerable groups, transparency of fees, mis-selling of products, overcharging of clients, or any legal responsibility of the entity with respect to transparent information or fair advice.

To be clear no legal proceedings here means no adjudicative proceeding involving the entity, whether before a court, a regulator, an arbitrator or otherwise.

Disclosure

Service information

OTIB, JA. Limited informs its partners and clients about its products and services by way of direct communications, public web posts and media announcements.

For investment related updates, only direct messages are used. The firm issues detailed investment reports on an annual basis, and general interim portfolio reports every quarter. Our investment reports include information about risks, service suitability, investment alternatives and conflicts of interest.

The firm has not adopted any international code of conduct for information dissemination but remained committed to delivering transparent information and fair advice to clients throughout the reporting period. Our internal communication plan is developed and coordinated by our Managing Director. It is usually executed by our Administrator but she was not with us during the reporting period.

Direct Messages

The firm communicated information about its services directly to clients during the reporting period. It used varying communication methods including telephone and electronic mails. Institutional clients got both electronic mails and traditional mails to ensure accountability. Some individual clients were only reliably available via telephone.

The reporting period was one of transition for the firm. We sought to lay the groundwork for our Sustainability Development Fund, and so our communications via direct messages did not match our standard of once per quarter. This was further exasperated by the absence of our Administrator.

Web Posts

We published web posts periodically on our website www.otibja.com during the reporting period. These posts and other electronic brochures were further shared in parts via our LinkedIn social media page.

These posts were used to share electronic brochures, information and relevant details about our products and services. It was an especially useful method for sharing our company's private equity fee structure and some special prices for specific service sales conducted during 2023.

These posts were meant to be monthly but were not executed according to internal standards due to heavy workload in other areas. This failing was highlighted in exit questionnaires filled by clients during the period. We are committed to improving in future years.

Media Announcements

During the reporting period, the firm conducted a huge marketing campaign in Jamaica. That campaign included six hours of promotion on free-to-air radio station Newstalk 93FM. This was not done during the Preke Town Book Club, which is a radio show owned by OTIB, JA. Limited, but was instead done during a more popular daytime program titled "Straight-Up".

The campaign focused on the benefits of the ESG framework to Jamaican businesses. We highlighted the tenets of the paradigm and gave case studies of its successful implementation locally. The firm also used the campaign to announce and explain the Sustainability Development Fund for the first time publicly. It was a successful campaign that attracted international attention and support.

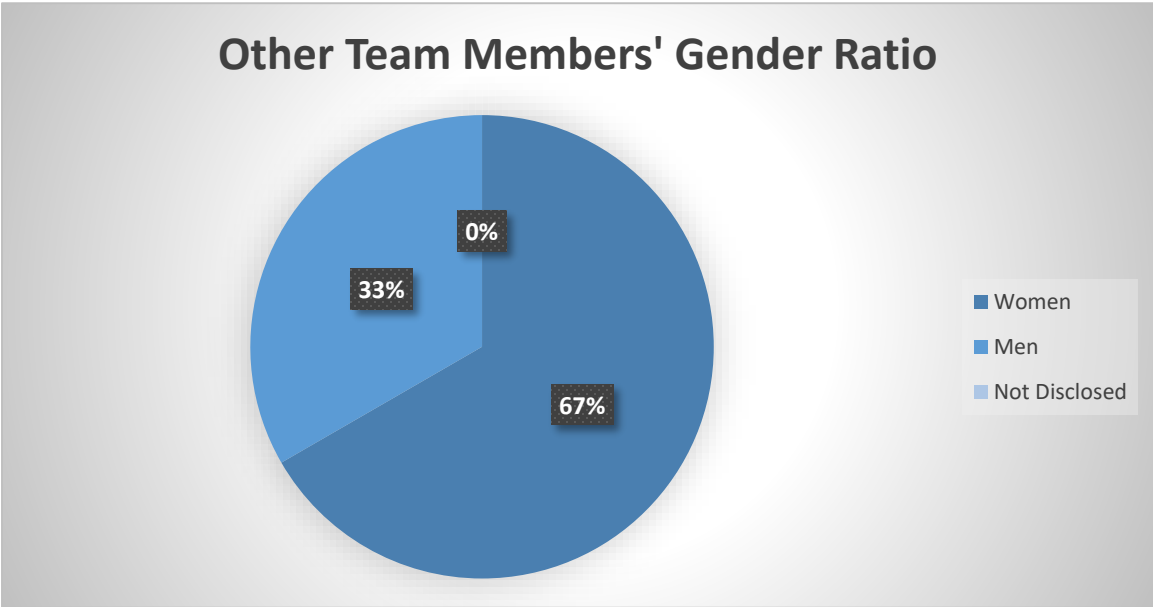
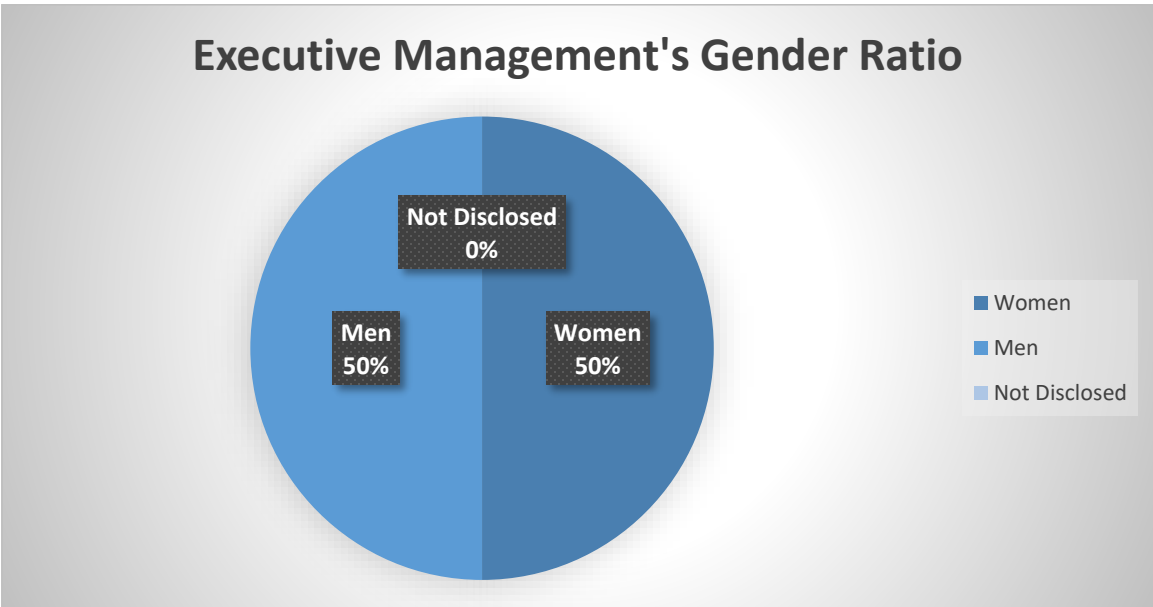
Disclosure

Employee Empowerment

Developing a broad-based team of loyal, valued, respected and supported employees throughout the organization is essential for the longer term growth prospects of the firm. Our human capital is the primary source of our revenue generation. They contribute knowledge, talent, advice and various technical skills. We were not able to fill our key investment roles of Associate and Analyst during the reporting period. We are, though, committed to enhancing workforce diversity, through those positions. We wish to attract and develop the best talent for those roles, even as we remain committed to fair employment, significant employee engagement, fair treatment and equitable levels of pay for all workers.

Diversity, equity, and inclusion

There was no race or gender-based requirement for our recruitments in 2023. However, research has suggested that by ensuring gender and racial diversity throughout the organization, we may improve operational efficiency and enhance the risk-return characteristics of our investment portfolios. We are mindful therefore to monitor gender and racial ratios.



Disclosure

We believe in equal pay for equal work. We give paid maternity and paternity leave that exceed national norms. We employ from different socioeconomic and religious backgrounds. And we subcontract across geographic and linguistic delineations. Notwithstanding those practices the organization had a 100% black team during the reporting period and 0% disabled team members.

OTIB, JA. has not completed its policies and programs for fostering equitable employee representation in its multinational operations. Relevant policies being considered include maintaining transparency of hiring, promotion and wage practices, ensuring equal employment opportunities, developing and disseminating diversity policies, and ensuring management accountability for equitable representation in jurisdictions outside of Jamaica. Relevant programs to be developed may include training on diversity, mentorship and sponsorship programs, partnership with employee resource and advisory groups, and provision of flexible work schedules to accommodate the varying needs of employees as we do here in Jamaica.

Work-life balance

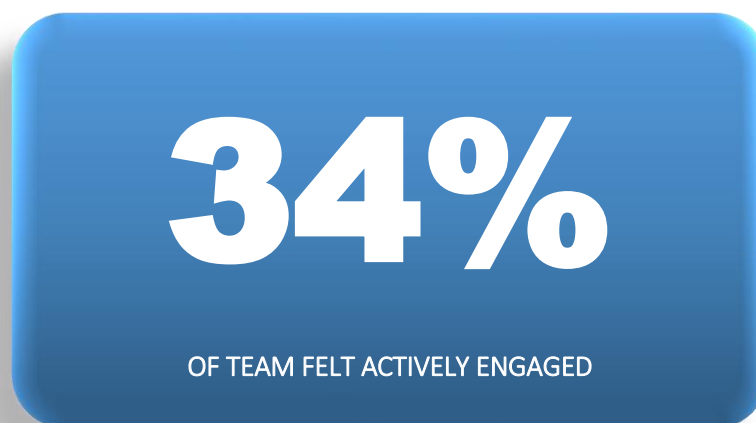
As a normal course of business, we promote a healthy balance between professional and personal responsibilities by allowing parents to work from home if their children need them to. We also give new mothers six months paid maternity leave and job guarantee for more than a year after delivery. During the reporting period, these policies were enhanced and extended to all employees. The subsequent policies and practices relating to remote work and flexible hours were standardized.

Career growth and learning

We upskill our employees and support their career goals by facilitating training and development. We allow for this through in-house and third-party sessions in ESG, ISO QMS, MOUS and other certifications. Our Managing Director was the only one who did a new OTIB, JA. facilitated course during the period. His was a Corporate Finance Institute Introduction to ESG.

OTIB, JA. prior to 2023, used to write business plans for employees who wanted to start entrepreneurial ventures. These ventures would be further supported through financing and free consultations. The practice was ended during the reporting period as it was found to reduce productivity, commitment and engagement in some employees.

Employee engagement as a percentage



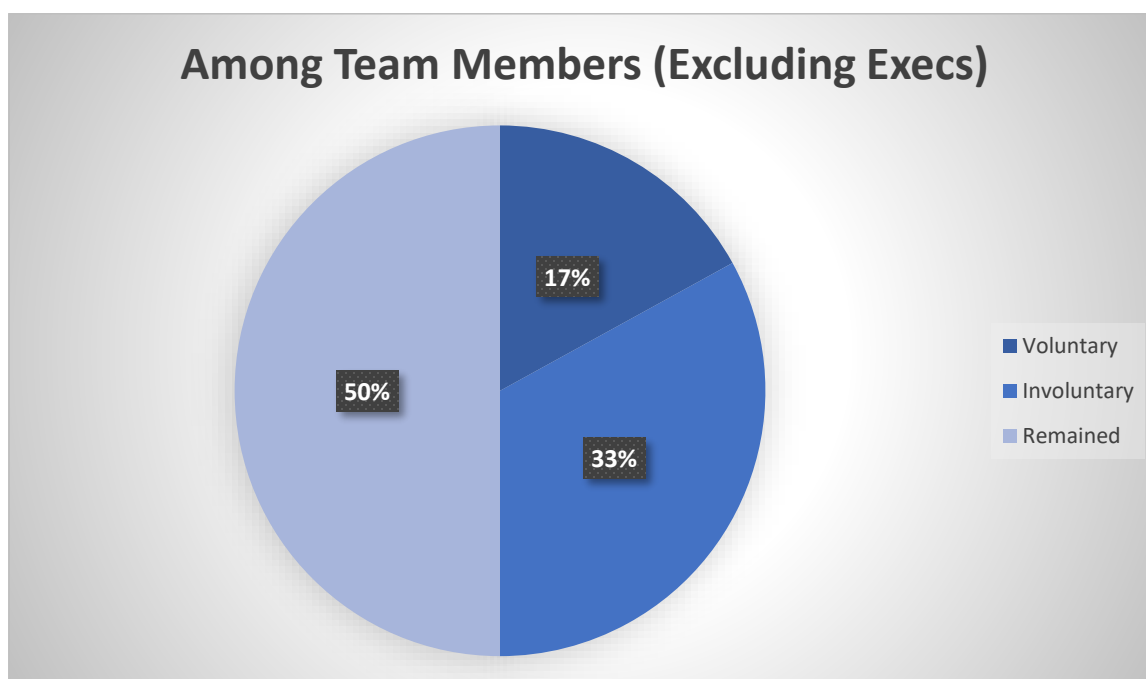
Disclosure

Our employee engagement percentage was calculated based on the results of our yearly employee engagement survey which we conduct internally.

For the reporting period, 66% of the team felt engagement was passive. Only a minority of 34% felt actively engaged.

This was calculated as the number of employees who self-described as actively engaged divided by the total number of employees who completed the survey.

Turnover rate



The turnover rate was higher than average during the reporting period. We believe the rate will be reduced going forward as we improve flexibility for the team and improve employee benefits and emoluments. We are also restructuring our service offerings to focus more on our core nature as a private equity firm operating in the impact investing space. This is expected to attract a more diverse talent pool which may stabilize the team.

ESG Investments

The reporting period marked a time of tremendous advancement for OTIB, JA. Limited with the incorporation of environmental, social, and governance factors into our investment management. We have long accepted that as an impact investing private equity firm, we must consider and incorporate an analysis of all material information into investment decisions, including ESG factors. Thankfully, during the reporting period we were able to better define what that will involve for us.

It was determined that our process of ESG investing would involve consideration of ESG factors in valuation, modelling, portfolio construction and engagement with investees. It was further determined

Disclosure

that we would develop the sustainability development fund and more meaningfully include ESG factors in our investment decision-making to run the mid-range gamut of sustainable investing.

Our assets under management for the reporting period was US\$100,000. That AUM was completely committed to money market instruments. There was no integration of ESG issues, and no sustainability themed investing or screening.

The Managing Director's work on the policies governing the incorporation of ESG factors in processes and strategies is ongoing.

Financed Emissions Monitoring

Prior to 2023, our main environmental concerns included our own Scope 1 emissions and those Scope 3 emissions associated with our partners and suppliers. That was recalibrated during this reporting period to focus on the monitoring and management of investee emissions.

SASB has found by way of relevant industry research, that firms such as ours participating in asset management activities face risks related to the greenhouse gas emissions associated with those activities. These risks may arise in the form of reputational risks or other types. A reputational risk might arise, for example, from the financing of a client who then invests in the increased usage of fossil fuels.

We have determined that it is indeed important to monitor and manage such risks by measuring our financed emissions. This measurement will serve as the indicator of our exposure to Scope-3 climate-related risks going forward. Monitoring this metric may also offer us impact opportunities and may inform our investment strategies over time.

Business Ethics

Our business model benefits from stakeholder trust and loyalty. Additionally, we prefer longer term business relationships that are mutually beneficial. So, we strive to provide services that meet the highest ethical standards of the industry, because this encourages trust and engenders loyalty. During the reporting period, we were able to maintain our ethical integrity and were also able to strengthen our approach to maintaining it going forward.

The complexities of the international regulatory environment were also noted but determined to be of little consequence to the firm at the time. The firm intends to enter the cross-border equity investment space in or after 2025. So reviews of the ethical environment were preliminary in 2023 and did not impact upon our activities relating to professional integrity.

Description of our approach to ensuring ethical integrity

In 2023, we commenced the development of an in-house training program to adequately prepare employees to maintain our ethical integrity even as we strategize for growth. The way we made decisions during the period, the way we provided advice and distributed data, for example, was always done at a high ethical standard, free from bias and error. A program that captured that, and seeks to replicate it, was initiated.

As it stands, the Managing Director has primary responsibility for client advisory services and Limited Partner recommendations. The Director of Governance, however, serves as overseer for the role through policy development, report reviews, privacy guidelines and employee training on relevant regulations.

Disclosure

The more operational concerns of professional ethics are shared responsibilities for the entire team. These include the maintenance and reporting of accurate data, the protection of confidential business information, the destruction of business records and documents, the prevention of billing fraud, the avoidance of corruption including identification of suspicious activities and so on.

OTIB, JA. Limited ensures that executives are accessible and open to receiving reports about violations or concerns regarding business ethics and compliance. Reports and complaints can be initiated internally or externally. In fact, so committed was OTIB, JA. Limited during the reporting period to such accessibility that the company employed a direct to Director telephone policy throughout 2023. This meant all calls to the firm were answered by a Director of the company.

As it relates to disciplinary responses to ethical breaches, the firm has published staff guidelines that outlines disciplinary actions for violations of professional integrity policies. The processes for internal investigations of malpractice and negligence are also included in our staff guidelines. So, although there were no ethical concerns during 2023, the company has policies in place to respond if there ever is one.

Disclosure Conclusion

The above disclosures paint a vivid picture of our ESG progress as measured through our six foundational pillars. To support these foundational pillars, we expect all employees, officers and directors to uphold our commitments to:



- A ANALYZE**
Continually analyze the impact of ESG on our business activities and integrate ESG factors into our longer term strategic planning.
- B ENSURE**
Ensure sufficient earning and budgetary allocation as required to maintain ESG progress and to achieve our ESG priorities.
- C STRIVE**
Strive to capture ESG opportunities, including evaluating and investing in new portfolio clients to improve our ESG performance and positive impact.

Commitment

Closing Commitment

We are heartened by the work we were able to do during this reporting period. We have improved our environmental social and corporate governance posture and of that, we are immensely proud. Our environmental management and monitoring has improved. Our social impact was reduced somewhat but we have made massive, meaningful improvements in governance. There is much more to do, not just in our company but in our Latin American and Caribbean region. We remain committed, therefore, to doing all that we can to continually improve internally and increase our positive ESG impact on the region.

Some areas in which improvement work has already begun:

Improved reporting

We commit to improving our ESG reporting going forward, as we continue to interweave ESG factors and standards into all aspects of our private equity business. This we envision will include:



more ESG accounting valuations and tables;



more comparative impact data of both internal and regional improvements;



the inclusion of other international standards that complement our use of SASB standards; and



the use of new survey instruments with corresponding findings.

Improved environmental impact

We commit to improving our environmental impact going forward, as we continue to mature as an impact investing private equity firm. This we envision will include:



more decarbonisation as tracked in carbon equivalents and dollars, both internally and as financed;



more corporate education and consultations; and



the inclusion of SDF environmental impact.

Improved social impact

We commit to improving our social impact going forward, as we continue to mature as a multinational employer. This we envision will include:

Commitment



more data security activities, both internally and as financed;



greater stakeholder awareness and participation in DEI practices; and



the implementation of more community programs.

Improved governance

We commit to improving our governance even more going forward, as we continue to mature as an emerging PE fund manager. This we envision will include:



more interweaving of international codes of ethics in corporate practices;



continuing ESG education for our Board; and



the implementation of more control systems.

The Sustainability Development Fund (SDF)

OTIB, JA.'s SDF is a refreshing addition of sustainable investing in Jamaica W.I. The fund is structured for dedicated, maximum impact across sustainability goals while maintaining attractive profitability. With the current regional opportunities in climate change solutions development, and regional economic growth opportunities, the fund is expected to outperform.

The SDF's PE fees are competitive. There is an annual management fee of 1%. There is a performance fee of 40% and there is a hurdle rate of 10%. Minimum investment US\$1-million.

The End

Again, we are heartened by the work we were able to do during this reporting period. There is much more to do, not just in our company but in our Latin American and Caribbean region. We remain committed, therefore, to doing all that we can to continually improve internally and increase our positive ESG impact on the region.

Please visit www.otibja.com for more. You may contact us via: grow@otibja.com.