



JAMAICA MORTGAGE BANK

JMB CODE OF CONDUCT / ETHICS

Aim of Business Conduct/Ethics Policy

The reputation of the Jamaica Mortgage Bank (hereinafter referred to as JMB or the Bank) as a Company which maintains integrity and conducts its business with fairness and high business standards is one of the Bank's most valuable asset and it is important that all members of the Bank's Board, Management and staff conduct themselves in a manner that upholds these standards. The aim of these Rules is to define appropriate standards of conduct for all members of the JMB team in the execution of their duties.

It is expected that all of JMB's employees and Board Members will become acquainted with and follow this Code of Conduct. Failure to do so can result in disciplinary action, including termination of employment or removal from the Board, where necessary. While the Code is specifically written for JMB's employees and Board Members, it is expected that the JMB's contractors, consultants and other stakeholders who may be temporarily assigned to perform work or services for JMB will follow the Code in connection with their work for the Bank. Failure of any of these parties to follow the Code may result in the termination of the relationship with JMB. Any waiver of this Code for Directors or the Management team must be first approved by the Board.

The Rules are as follows:

1. Preserve Confidentiality

The professional nature of the Bank's work requires a high standard of performance and responsibility. The Bank's work is of a confidential nature. Consequently, in the employee's execution of duties, he/she may have access to personal and confidential information regarding the Bank, its business associates, and its Board of Directors and fellow employees. The principles governing confidentiality are as follows:

- (i) Each member of the Board of Director and employee is required to sign the Bank's **Form of Declaration of Allegiance and Secrecy by Officials and Employees** and the **Declaration relating to the Official secrets Acts of the Government of Jamaica** in acknowledgement of the principles governing confidentiality.
- (ii) The disclosure or use of any confidential information, data on decisions, plans or any other information that might be contrary to the interest of the Bank without prior authorization from the Board and/or General Manager (where the party is a member of the management team or staff) is prohibited. Any Confidential Information which may require disclosure to an outside party should be on an "as needed" basis and only under a non-disclosure agreement.
- (iii) Knowledge of confidential information should not be discussed in public places (such as elevators, shopping centres, taxis, etc.) or with members of one's family or be the subject of discussion with other members of staff.
- (iv) All confidential information must be kept in a secure environment and should be properly labelled as such;
- (v) All employees shall adhere to the provisions of the relevant legislation pertaining to the utilization and dissemination of public information.
- (vi) Employees shall protect the confidentiality of non-public information that they receive in the execution of their duties. This obligation continues to apply after the termination of employment except for information required to be disclosed by law.
- (vii) Employees who are required to produce into evidence, in any court of law, any official document of a confidential nature, shall inform the General Manager of the nature of the document.
- (viii) Employees may not participate in any public forum on matters relating to the Bank without prior approval of the General Manager.
- (ix) Confidential documents shall be disposed of via shredding and not disposed of in public places or even in the office in readily accessible areas.
- (x) Knowledge of the location of employees either travelling or attending meetings shall not be disclosed to callers or visitors as this may infringe on their privacy.

Any breach of confidentiality will subject an employee to disciplinary action that may include termination. See Disciplinary Code in (Section 8.1) of Human Resource Policy Manual.

EXTRACT FROM THE OFFICIAL SECRETS ACTS, 1911 AND 1920

Section 2 of the Official Secrets Act, 1911, as amended by the Official Secrets Act, 1920, provides as follows: -

2. (1) If any person having in his possession or control any secret official code word, or pass work, or any sketch, plan, model, article, note, document, or information which relates to or is used of this Act, of which has been entrusted in confidence to him by any person holding office under Her Majesty, or which he has obtained or to which he has had access owing to his position as a contract made on behalf of Her Majesty, or as a person who is or has been employed under a person who holds or has held such an office or contract, -

(a) communicates the code word, pass work, sketch, plan model, article, note,

document, or information to any person, other than to whom he is authorised to communicate it, or a person to whom it is in the interests of the State his duty to communicate it; or

(b) use the information in his possession for the benefit of any foreign power or in

any other manner prejudicial to the safety or interests of the State;

(c) retains the sketch, plan, model, article, note, or document in his possession or control when he has no right to retain it or when it is contrary to his duty to retain it or fails to comply with all directions issued by lawful authority with regard to the return or disposal thereof; or

(d) fails to take reasonable care of, or so conducts himself as to endanger the

safety of the sketch plan, model, article, note, document, secret official code or pass word or information;

that person shall be guilty of a misdemeanour

(1A) If any person having in his possession or control any sketch, plan, model, article, note, document, or information which relates to munitions of war, communicates it directly

or indirectly to any foreign power, or in any other manner prejudicial to the safety or interests of the State, that person shall be guilty of a misdemeanour.

(2) If any person receives any secret official code word, or pass word, or sketch plan, model, article, note, document or information, knowing, or having reasonable ground to believe, at the time when he receives it, that the code word, pass word, sketch, plan, model, article, note, document or information is communicated to him in contravention of this Act, he shall be guilty of a misdemeanour, unless he proves that the communication to him of the code word, pass word, sketch, plan, model, article, note, document, or information was contrary to his desire."

Section 1 (2) of the Official Secrets Act, 1920, provides as follows:-

(2) If any person –

- a) retains for any purpose prejudicial to the safety or interests of the State any official document, whether or not completed or issued for use, when he has no right to retain it, or when it is contrary to his duty to retain it, or fails to comply with any directions issued by any Government Department or any person authorised by such department with regard to the return or disposal thereof: or
- b) allows any other person to have possession of any official document issued for

his use alone or communicate any secret official code word or pass word so issued, or, without lawful authority or excuse, has in his possession any official document or secret official code word or pass work issued for the use of some person other than himself or on obtaining possession of any official document by finding or otherwise, neglects or fails to restore it to the person or authority by whom or for whose use it was issued, or to a police constable: or

- c) without lawful authority or excuse, manufactures or sells, or has in his possession for sale any such die, seal or stamp as aforesaid, he shall be guilty of a misdemeanour"

2. Avoid Conflicts of Interest

Employees should at all times separate their personal interest from that of the Bank. As in all other areas of responsibilities, employees providing service for the Bank, its business associates, its Board of Directors or any other person seeking to do business with the Bank are expected to

act in the best interest of the Bank. All Employees and Members of the Board should avoid conflicts of interest and circumstances that reasonably present the appearance of conflict. Employees shall make prompt and full disclosure in writing to the General Manager, through the HOD - HRA of any potential situation that may involve a conflict of interest. Such conflicts include, but are not limited to:

- (i) Soliciting and/or accepting payment and/or any other consideration regarding the performance of or neglect of official duties.
- (ii) Ownership by an employee or by a member of his/her family of significant interest in any outside enterprise which does or seeks to do business with or is a competitor of the Bank.
- (iii) Conducting private business during work hours and/or on the Bank's property or using the Bank's assets.
- (iv) Acting as a broker, finder, go-between or otherwise for the benefit of a third party in transactions involving or potentially involving the Bank or its interests.
- (v) Engagement in private activity similar to official Jamaica Mortgage Bank functions.
- (vi) Serving as a director, officer, consultant, or in a managerial or technical capacity with an outside enterprise that does or is seeking to do business with or is a competitor of the Bank without the approval of the Board of Directors.
- (vii) Any other arrangements or circumstances, including family or other personal relationships which might result in the employee not acting in the best interest of the Bank.

All employees shall disclose to the HOD, HR&A all particulars of any direct or indirect interest in any other organization requiring his/her involvement in its management or which could intrude upon the employee's time while on the Bank's business. Failure to disclose any potential conflict of interest could result in termination of employment. Employees who are in doubt as to what is deemed a conflict of interest can discuss in confidence, with the HOD, HR&A, who will advise the employee appropriately. The final decision on any dispute over the determination of such conflict shall rest with the Board of Directors.

3. Ensure Financial Integrity and Responsibility

Financial integrity and fiscal responsibility are deemed to be core aspects of corporate professionalism and is important for the Bank to maintain its continued viability. Each person at JMB has a role to ensure that money is appropriately spent, that the Bank's financial records are complete and accurate and that all internal controls are observed and honoured. The JMB therefore maintains a system of internal controls to reinforce the Bank's compliance with legal, accounting, tax and other regulatory requirements.

It is therefore required that all employees whose jobs involves the financial recording of transactions , make sure they are familiar with all the relevant policies relating to the Bank's financial transactions, that there is no interference with the auditing of financial records or the falsification of any company record or account.

All employees shall disclose to the General Manager or to the Board of Directors where necessary any suspicion or observation of any irregularities relating to financial integrity or fiscal responsibility.

In the retention of suppliers of goods and services and works, the Bank will ensure that it will procure services in line with the Government of Jamaica's Procurement Guidelines. The Bank will ensure that it receives competing bids and while price is important, the quality, service, reliability and the terms and conditions of the proposed contract will affect the final decision in entering into any contract. All payments for goods and services received are to be done in line with the procedures outlined in the Finance and Accounts Policy.

4. Rules for Acceptance of Gifts

Accepting of gifts and other business courtesies from a Customer or any parson doing business with the Bank can easily create the appearance of a conflict of interest or a breach of integrity, especially if the value of the item is significant. Employees may only accept gifts or favours from the Bank's business associates providing that they meet all of the following criteria:

- (i) They are of token nature
- (ii) They are consistent with accepted business practices
- (iii) Public disclosures of the facts will not embarrass the Bank
- (iv) They are not in violation of applicable law and generally accepted ethical standards
- (v) They are of sufficiently limited value and in a form that will not be construed as a bribe or payoff

Employees shall not seek or accept for themselves or others any gifts, favours, entertainment or payments in cash or kind that are made without a legitimate business purpose.

Nor shall they seek or accept personal loans (other than conventional loans at market rates from established lending institutions) from any persons or business organizations that do or seek to do business with the Bank. Also, Officers in their official capacity are forbidden to solicit or accept gifts or gratuities for the performance or neglect of official duties and responsibilities.

In the application of this policy, employees/officers may accept for themselves and members of their families common courtesies usually associated with customary business practices. These include but are not limited to:

- (a) Gifts of perishable items usually given during holiday periods such as ham, fruit cake, etc.

- (b) Tickets to events (such as sports, music concerts, etc.) if offered by the external party. These are not to be solicited by employees and must be approved by the appropriate manager

- (c) Promotional gifts of small value such as calendars, pens, notepads, etc.

Employees are advised to act with prudence in the acceptance of gifts and if in doubt to seek the advice and approval of the HOD – HR&A. Where the refusal of such offers may offend international or cultural sensitivities, the matter should be reported immediately to the Head of Department (HOD) and the General Manager.

5. Involvement in Political Activities

The Bank understands that employees may be connected to or involved with political parties.

The following policy guides the expectation of employees/officers:

- (i) Employees/officers shall not exercise political bias in the execution of their duties or use their positions to promote their party's agenda.

- (ii) Officers are expressly forbidden to engage in any type of partisan political activity in any elections at any level
- (iii) In the exercise of official duties, no service or benefit should be denied or provided to anyone on the basis of partisan political affiliation
- (iv) In the exercise of official duties, officers may be required to provide factual information to explain or clarify government policy.

6. Adherence to the Law and Rules Governing the JMB

JMB takes its responsibilities to comply with the laws, regulation and other Government of Jamaica guidelines seriously and it is expected that all Board Members, Employees and all Stakeholders with whom the Bank does business to adhere to all the relevant and applicable laws and regulations governing the operations of the Bank and the conduct of business in Jamaica.

The Bank will in particular, but not restricted to, adhere to the provisions of the following statutes that directly govern the Bank's operations:

- (i) The Jamaica Mortgage Bank Act
- (ii) The Mortgage Indemnity Act
- (iii) The Public Bodies Management and Accountability Act
- (iv) The Income Tax Act
- (v) The General Consumption Tax Act
- (vi) The Stamp Duty Act

All Board Members and Employees are also expected to acquaint themselves with and conduct themselves in accordance with all the various Internal Policies and Procedures which govern the operation of the Bank.

7). Drugs and Alcohol

Our position on substance abuse is simple: It is incompatible with the health and safety of our employees, and we don't permit it. Consumption of alcohol during the normal working hours is prohibited, however, limited use for social activities involving the Bank is permissible. Parties should exercise good judgment and never drink in a way that leads to impaired performance or

inappropriate behaviour, endangers the safety of others, or violates the law. Illegal drugs in our offices or at sponsored events are strictly prohibited. If a manager has reasonable suspicion to believe that an employee's use of drugs and/or alcohol may adversely affect the employee's job performance or the safety of the employee or others in the workplace, the manager may request an alcohol and/or drug screening test. A reasonable suspicion may be based on objective symptoms such as the employee's appearance, behaviour, or speech.

8). No Retaliation

JMB prohibits retaliation against any worker who reports or participates in an investigation of a possible violation of our Code, policies, or the law. Any person who experiences retaliation as a result of making a report, should contact HOD HR & A, the General Manager or Board.

9). Employee relationships

We want to ensure that relationships between employees are appropriate and harmonious. We outline our guidelines and we expect all persons to behave in a professional manner.

Fraternization refers to dating or being friends with your colleagues. In this policy, "dating" equals consensual romantic relationships and sexual relations. Non-consensual relationships constitute sexual violence and we prohibit them explicitly and is dealt with under the Bank's Anti-Sexual Harassment Policy.

To avoid accusations of favoritism, abuse of authority and sexual harassment, supervisors must not date their direct reports.

Persons performing the role as hiring managers, are not allowed to hire relatives to their team. Relatives may be referred for employment to other teams or departments where there is no direct managerial or hiring authority.

A "relative" is someone who is related by blood or marriage within the third degree to an employee. This includes: parents, grandparents, in-laws, spouses or domestic partners, children, grandchildren, siblings, uncles, aunts, nieces, nephews, step-parents, step-children and adopted children.

As an employee, you can refer your relatives to work with our company. Here are our only restrictions:

- [Persons *must not be involved in a supervisory/reporting relationship with a relative.*]
- [Employees *cannot be transferred, promoted or hired inside a reporting relationship with a relative.*]
- Employees *cannot be part of a hiring committee, when your relative is interviewed for that position.*]
- [If you become related to a manager or direct report after you both become employed by our company, there shall be a review of the working situation.]