



JAMAICA DEPOSIT INSURANCE CORPORATION

**CORPORATE SOCIAL RESPONSIBILITY (CSR)
POLICY AND TERMS OF REFERENCE**

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JAMAICA DEPOSIT INSURANCE CORPORATION CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1.0 INTRODUCTION

With the impact of globalization and technology, inter-alia, organizations can no longer act as isolated economic entities operating in detachment from the broader society; therefore, the decision by many to implement a Corporate Social Responsibility (CSR) strategy. CSR is defined as *“the responsibility of an organization for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that is consistent with sustainable development and the welfare of society; it takes into account the expectations of stakeholders; is in compliance with applicable laws and consistent with international norms of behaviour; and is integrated throughout the organization”*¹. Stakeholders are both internal and external and include employees, customers, shareholders and communities. CSR can be very broad and addresses many and various areas such as human rights, corporate governance, health and safety, working conditions, environmental effects and economic development². Whatever areas are addressed, the purpose of CSR is about organizations not only achieving their stated corporate objectives, but being good corporate citizens; positively contributing to society in a sustained manner, their commitment to the process and delivering on the supporting initiatives.

2.0 POLICY STATEMENT

Established in 1998, the Corporation is charged with the responsibility for managing a Deposit Insurance Scheme (DIS) and protecting depositors; and in so doing contribute to confidence and stability in Jamaica’s financial system. In carrying out its mandate, the Corporation has a duty to its stakeholders to be professional in its operations and also to demonstrate the highest standards of corporate citizenship at all times.

¹ ISO 26000 Working Group on Social Responsibility, February 2007

² In May 2010, the International Standards Organization launched its ISO 26000 Guidance on Social Responsibility which states that CSR is comprised of seven core areas: human rights; labour practices; the environment; fair operating practices; consumer issues; community involvement and development.

Principle 20 of the Government of Jamaica (GOJ) *Corporate Governance Framework*³ addresses ‘*Corporate Social Responsibility*’ for Public Bodies in Jamaica. The Principle states, “Every Board should ensure that measures for managerial performance take into account the financial, social, cultural and environmental issues with a focus on their customers and other stakeholders”.⁴ The Board of Directors of the JDIC (the Board) is mindful that the mandate of the Corporation has both economic and social implications for its stakeholders and is therefore committed to strong corporate governance principles and the adoption of best practices, which are also aligned with corporate social responsibility. The Board also recognizes that promoting long-term stakeholder value, by embracing opportunities and effectively managing risks, is an important criteria of organizational effectiveness. As such, the Board is committed to fostering CSR activities in the Corporation’s operations by targeting five (5) key areas: **financial education, work experience programme, community outreach and development, national development, and environmental management**. The Board, supported by the Committee of Management (COM), hereby implements this CSR Policy (this Policy).

3.0 OBJECTIVES OF THIS CSR POLICY

This Policy reflects the vision, mission and core values of the Corporation and establishes the basic principles and the general framework that will support its CSR practices. The objectives of the CSR Policy are to:

- a) Promote an organizational culture of social commitment that builds teamwork and encourages volunteerism among all employees;
- b) Contribute to the society by actively participating in and or supporting initiatives that benefit communities and various stakeholder groups; including students of primary, secondary and tertiary institutions;

³.

https://www.ocg.gov.jm/ocg/sites/default/files/Revised%20Corporate%20Governance%20Framework%20%28Oct%202012%29_0.pdf; September 2011 (revised October 2012)

⁴ Principle 20 also recommends, inter alia, that: each Board should make the issues of CSR a priority on the Public Body’s business agenda; CSR should be addressed as an important tenet of a Public Body’s Corporate Governance Framework; CSR should be undertaken within the Framework established by the MoFPS; each Public Body should develop and publish in its Annual Report a statement on its CSR activities.

- c) Continue to build the Corporation's brand reputation among stakeholders by engendering and demonstrating a culture of high ethical and moral standards, transparency and accountability.

4.0 SUPPORTING INITIATIVES

The CSR initiatives will be integrated within the business operations and decision making processes of the Corporation as determined by the COM on the recommendation of the CSR Committee; and as set out in the Corporate Plan approved by the Board of Directors. The key areas of focus are:

4.1 Financial Education – Financial literacy is promoted in primary, secondary and tertiary level educational institutions through the Corporation's public education and awareness programme and will continue to be a key area of focus in the execution of its CSR initiatives. To expand its reach and impact the Corporation will also strategically leverage its membership on the National Financial Inclusion Council and its participation in the work of the National Financial Inclusion Strategy (NFIS) consumer protection and financial literacy working group. The International Association of Deposit Insurers (IADI) core principles for effective deposit insurance systems recommends that Deposit Insurers promote public awareness of the deposit insurance system on an ongoing basis, using a variety of communication tools as part of a comprehensive communication programme. Consistent with this the JDIC has a robust public education and awareness programme, with some elements done in collaboration with financial system safety net partners and other key stakeholders.

4.2 Work Experience Programme – The Corporation will engage secondary and tertiary level students through its internship and summer employment work experience programmes. During the period of employment the Corporation will also provide mentorship, corporate grooming and business etiquette training to interns and summer employees. Additionally, the Corporation will partner with educational and professional training institutions to contribute to and benefit from building

research competencies by inviting researchers from academia, scholars and PhD students to collaborate with staff in conducting research for publication.

4.3 Community Outreach/Development – The Corporation is cognizant that social transformation works in tandem with economic development and will therefore support efforts to enhance the social fabric of the Jamaican society by way of its participation in a range of initiatives at the community level, while ensuring consistency with this policy.

4.4 National Development – In addition to community development, there is also the need for contributing to national development. The Corporation participate in national events, such as ‘*Labour Day*’ or any other similar national projects so identified.

4.5 Environmental Management – Given the climate and man-made threats to the environment, organizations must ensure that they adhere to all environmental laws, including sanitation and waste disposal, air quality and emissions, effluents, burning fossil fuels, CO2 emissions, reducing risks to soil, air and water.

The Corporation endeavours to manage and maintain a safe and healthy working environment for its staff members, and by extension external stakeholders. This commitment is detailed in its annual Corporate Plan which outlines the policies and procedures to eliminate waste and omissions, prevent pollution, maximize the efficiency and productivity of its resources and minimize practices that might adversely affect the enjoyment of the environment by current and future generations.

5.0 EXECUTING THE CSR INITIATIVES

5.1 As a public sector organization, the JDIC will:

- a) Adopt socially, financially and ethically responsible behavior in executing its duties
- b) Always be transparent and accountable in its operations
- c) Continuously show its commitment to being a good corporate citizen

5.2 As an employer, the JDIC will:

- a) Treat all employees with respect and dignity
- b) Provide equal opportunities for all
- c) Facilitate training and development
- d) Implement measures to foster work/family balance practices
- e) Inspire employees to support the Corporation's CSR initiatives

5.3 The Board of Directors, COM and other employees of the JDIC will strive to adopt the corporate social responsibility principles outlined in this Policy and the management will ensure these are incorporated into the organization's daily activities. Team members are expected to participate in the projects and activities carried out by the Corporation under the CSR Policy as part of their recognition of the value of altruism and nation building.

5.4 In effecting its CSR programme the Corporation will seek to engage suppliers and contractors who exhibit the CSR values that it espouses, including fairness, transparency and accountability.

6.0 THE CSR COMMITTEE

The members of the CSR committee will comprise the following: Director Corporate Communications and Planning; Public Relations Officer; Chair of the Procurement Committee; Accounting Officer; Legal and Corporate Secretariat Assistant; Records and Information Officer

and the Operations and Technical Assistant (Corporate Communications and Planning) as the Recording Secretary; and or any other officer recommended by the Committee of Management (COM). The CSR Committee will consider and recommend the initiatives to be undertaken with due regards to the Corporation's business operations and taking into account the interests of Policyholders, financial system safety net partners, employees, communities and other stakeholders.

6.1 Responsibilities of the CSR Committee

The Committee is authorized to carry out the responsibilities outlined below and such other responsibilities as directed by the COM and or the BOD and its Corporate Governance Committee from time to time. The following are the responsibilities of the Committee:

- a) Formulating and recommending to the COM and the Board the CSR Policy;
- b) Identifying and recommending to the COM and the Board the programme of activities to be undertaken by the Corporation, consistent with the CSR Policy and for inclusion in its annual Corporate Plan, taking into consideration the Corporation's reputation and image in undertaking these initiatives;
- c) Recommending the overall budget for the CSR programme and allocation for each project/activity;
- d) Preparing the relevant Memo along with supporting documents for each project for the submission and approval by the COM and Board as necessary, and copy the Procurement Committee;
- e) Ensuring the successful execution of all projects/activities under the CSR Policy;
- f) Recommending the engagement of subject matter experts, where it is recognized that to successfully execute certain projects such expertise will be required.
- g) Reviewing the performance of the Corporation in the areas of CSR and preparing an end of year report;
- h) Monitoring the Corporation's overall approach to corporate responsibility to ensure that it is in line with its business strategy, the GOJ Corporate Governance Framework and other standards of best practice; and
- i) Conducting reviews and assessing the CSR Policy and recommending

changes to the COM and Board when necessary.

6.2 Committee Meetings

The Committee shall meet as frequently as necessary to fulfill its duties and responsibilities, but not less than four (4) times for the financial year. Meetings may be held virtually. The Minutes of all meetings shall be maintained consistent with the Corporation's record keeping policy.

7.0 REPORTING

For transparency and accountability, the Corporation will publish on its website and social media platforms content relating to the CSR initiatives undertaken during the financial year, and at year end a statement in its Annual Report. Additionally, the CSR Policy (summarized) will be placed on the website.

8.0 REVIEW OF POLICY

This Policy shall be reviewed once every two (2) years, or more frequently as is required, by CSR Committee for submission to the COM and the Corporate Governance Committee of the Board, for the purpose of updating the Policy to reflect changes in best practices in the public sector and to enhance its effectiveness. Any amendments to the provisions of this Policy must be submitted to the COM and Board for consideration and approval.

*Jamaica Deposit Insurance Corporation
October 2021; March 2022*