



# JSE GROUP WHISTLEBLOWERS POLICY

## RATIONALE AND SCOPE OF THE POLICY

In its quest to maintain a fair, efficient and transparent stock market, the Jamaica Stock Exchange Group is committed to ensuring that integrity, professionalism and ethical behavior is maintained by all members of the organization. In order to maintain these standards, the Group strives to provide an environment whereby employees, who have suspicions about any serious misconduct, breach of law (e.g. criminal offence, malpractice, impropriety etc.) rules or regulations, including willful concealment, that could negatively impact the organization, can make a report without any fear of repercussion as the employee making the report will be protected under ***“The Protected Disclosure Act”***.

The nature of the JSE’s business is based on fairness, efficiency, transparency and professionalism, thereby it is the responsibility of the JSE to encourage its employees to report any suspicious, illegal and improper activities and to ensure that thorough investigations are conducted on these reports and disclosures accordingly. Reports are not limited to fraud, theft or corruption, but also about possible misconduct, including behavior that is not in line with the Company’s values. It is the JSE’s responsibility to ensure that no forms or acts of reprisals or occupational detriment as described in the Protected Disclosure Act 2011, are meted out to those employees who report or disclose those illegal activities. JSE will ensure that urgent investigations are undertaken in a highly confidential manner.

This policy presumes that employees will act in good faith and will not make false accusations when reporting of misconduct by the company’s employees. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary procedures, which may include termination. Employees who report acts of misconduct pursuant to this policy can and will continue to be held to the company’s general job performance standards and adherence to the company’s policies and procedures.

The intended objectives of this Policy are:

- (i) To encourage employees to voice concerns and identify ways to address these issues;
- (ii) To enable Management to be informed early about these acts of misconduct;
- (iii) To reassure employees that they will be protected from discrimination, punishment or prejudice for disclosing issues in good faith in accordance with this procedure;
- (iv) To encourage a culture of openness, accountability, ethical behavior and integrity.

This policy does not apply to or change the company's policies and procedures for individual employee grievances or complaints relating to job performance, terms and conditions of employment, which will continue to be administered and reviewed by the Human Resources Department.

## **DEFINITIONS**

- ***Whistleblower***

*A person or entity making a protected disclosure about improper or illegal activities are commonly referred to as a whistleblower. Whistleblowers may be employees, applicants for employment, contractors, suppliers, investors, brokerage houses, listed companies or general public. The whistleblower's role is one of a reporting party. They are not investigators or finders of fact, nor do they determine appropriate corrective actions that may be warranted.*

*Whistleblowers protected under the Protected Disclosure Act are limited only to employees.*

- ***Good Faith***

*Good faith is evident when the report is made without malice or consideration of personal benefit and the whistleblower has a reasonable basis to believe that the report is true; provided however that a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.*

- ***Misconduct/Improper Activities***

*Examples of misconduct include, but are not limited to fraud (including financial fraud and accounting fraud), violation of laws and regulations, violation of company policies, unethical behavior or practice, endangerment to public health or safety, failure to carry out a legal obligation, willful concealment of improper conduct and negligence of duty.*

The JSE Group's Whistleblowing Policy pertains to breaches of Corporate Governance Principles and Practices, ethics and other applicable policies and regulations, rules, improper accounting and auditing of a nature which is designed to achieve financial fraud, issues and violations of JSE's Rules and Regulations and questionable accounting and auditing practices. These include but are not limited to:

- (i) granting a supplier undue favors;
- (ii) collusion with a supplier to ensure award of a contract;
- (iii) unauthorized disclosure of confidential information;
- (iv) knowingly destroying company files subject of government or other investigation;
- (v) failure to disclose related party transactions;
- (vi) solicitation of money or gifts from contractors of the Company;
- (vii) violation of the Conflict of Interest Policy.

Questionable accounting or auditing matters that are covered by the whistleblowing policy are the following:

- significant overstatement or understatement of account balances;
- non-recording of transactions in a complete or timely manner;
- gross violation of International Financial Reporting Standards;
- misclassification of accounts;

- inaccurate or non-disclosure of significant information relevant to proper interpretation of the financial statements;
- lack of underlying transactions to support accounting entries;
- lack of proper documentation to support accounting entries;
- misappropriation of funds;
- circumvention of or disregard of policies;
- circumvention or violation of approving and signing authorities;
- acts or transactions grossly disadvantageous to the company.

Examples of offenses covered by the Company's Rules and Regulations are the following:

- gambling within company premises or on company time;
- theft of company's property;
- use or possession of prohibited drugs;
- gross negligence in the performance of assigned duties;
- attempting any violence against co-employees.
- disclosure of confidential information / breaching confidentiality guidelines

The policy, however, does not cover grievances regarding terms and conditions of employment and other aspects of established working conditions unless related to retaliation against complainants or whistleblowers.

## **SAFEGUARDS**

This Policy includes provisions that deal with the following:

(i) **Confidentiality**

The company will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

(ii) **Anonymous Reporting**

Individuals are encouraged to put their names to any disclosure they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the company.

(iii) **Protection from retaliation, to identified whistleblowers;**

Protection is offered to employees of the company who disclose such concerns provided the disclosure is made:

- (a) in good faith
- (b) in the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety, and if they make the disclosure to an appropriate person. It is important to note that no protection from internal disciplinary procedures is offered to those who choose not to use the procedure. In an extreme case, malicious, vexatious or wild allegations could give rise to legal action on the part of the persons complained about.

(iv) **Employee Accountability For Making Malicious Allegations**

In making a disclosure, the employee should exercise due care to ensure the accuracy of the information he/she provides. If the company has reason to believe that an individual is making malicious or vexatious unfounded allegations,

the company will treat this as a serious offence which may result in disciplinary action up to and including dismissal for cause.

**(v) General Procedures For Making a Disclosure:**

- (a) A complaint is made to the General Manager who is the designated officer. The General Manager can also appoint another Officer (e.g. the Deputy General Manager to act on his/her behalf). Upon receipt of a complaint of malpractice, the General Manager or his/her designate will investigate the complaint and make note of the complaint on the requisite form and submit this information to the Audit Committee.
- (b) If the complaint is regarding the GM, the complainant has the right to bypass the line management structure and take his/her complaint directly to the Chairman – Audit Committee. The Audit Committee has the right to refer the complaint back to management if they feel that the management without any conflict of interest can more appropriately investigate the complaint.
- (c) Should none of the foregoing routes be suitable or acceptable to the complainant, then the complainant may approach the Board through the Chairman or Deputy Chairman.

**(vi) Complaints On Retaliation:**

- (a) An employee reporting whistleblower retaliation complaint must prove that he/she has experienced some form of adverse employment action meted to them by any member of the organization. This could include intimidation, coercion, threat, harassment, interference with the employee's right etc. and even dismissal. This employee must immediately record any acts of retaliation, giving the name(s) of the person(s), date, time, acts of reprisal or intimidation experienced.
- (b) The Audit Committee is the body to which the complaints should be referred for action. The designated officer to whom the complaint should be channeled is the General Manager (or his/her designate) unless the complaint is in any way related to the actions of the General Manager, in which case the complaint is lodged directly to the Audit Committee.

**Whistleblower's Protection**

The JSE Group offers protection to a whistleblower who identifies himself or herself. If the whistleblower is an employee, he/she will also be protected under the Protected Disclosure Act

**Whistleblowing Procedures for Employees**

**This is outlined in Appendix 1**

## APPENDIX 1



### Whistleblowing Procedures for Employees

The Policy prescribes certain procedures for whistleblowing by employees. An employee who decides to blow the whistle must complete a Whistleblower Disclosure Form (*Appendix 1*) and submit it to the General Manager, inform the Audit Committee of the complaint, investigate and upon investigation submit the report to the Audit Committee its findings.

A Whistle Blower who wishes to submit a complaint, may do so by oral disclosure directly to the General Manager or his/her Designate or, as the policy provides, to the Chairman of the Audit Committee.

The whistleblower needs to be guided by the following steps to complete the Whistleblower Disclosure Form.

- (i) provide the full name and position of the person complained of;
- (ii) specify the charge;
- (iii) state the relevant and material facts;
- (iv) provide any evidence that support the charge

Employees who follow these procedures make it easier for the General Manager or the Audit Committee (or the investigating units) to determine the sufficiency or validity of the complaints.

The General Manager (or his/her Designate) receives and assesses the complaints and passes on his/her assessment and recommendation to the Audit Committee who will determine the appropriate action to be taken. This could entail routing the matter to the Board, Corporate Governance or any other Committee of the Board for further investigation or back to the General Manager.

The Audit Committee follows certain procedures in handling whistleblower's disclosures. Generally, the procedures involve the building of the case files, determination of the validity or sufficiency of the complaint disclosure, referral to an investigating units, and whistleblower notification of the actions taken on the complaint and their outcomes. Based on the sensitive nature of whistle blowing, the respective parties responsible for investigating reports will be required to sign a confidentiality agreement before pursuing investigations. The following illustrates the procedures in more detail:

- 1) Receive and endorse whistleblowers disclosures.
- 2) Solicit as much info and details from the complainant;
- 3) Request for supporting documents and other evidence to support the charge;

- 4) Ask the complainants if he is willing to sign the transcript of the complaint/disclosure to be identified in the course of the investigation;
- 5) Prepare corresponding complaint-disclosure form;
- 6) Assign a case number and establish official records of the case.
- 7) Determine sufficiency and validity of the complaint;
- 8) Determine if the complaint meets the minimum requirements
  - (a) name of accused
  - (b) specification of the charge
  - (c) information supporting the charge
  - (d) documents and evidence to support the charge
- 9) Acknowledge the receipt of the complaint and advise complainant (if identified) in writing about the action to be taken.
- 10) Determine if the complaint is within the scope of company's policy on employee disclosures and if it involves violations of Corporate Governance Rules or other governing rules. If not sufficient or within the scope of policy on employee disclosures, advise the complainant. If the complaint is sufficient and within the scope of the policy on employee disclosures and involves violations of Corporate Governance Rules, the General Manager will commence investigation.
- 11) Investigate whistleblower's disclosures.
- 12) Evaluate the merits of the complaint/disclosure - if not meritorious, advise the complainant of the results of/resolution of the complaint disclosure and the reasons thereof. If complaint disclosure is sufficient for further action, determine whether the complaint disclosure will be pursued. If it will not be pursued, advise whistleblower of the results and the reason why no further action on the complaint disclosure will be taken.
- 13) If complaint disclosure is sufficient and will be pursued, notify the whistleblower that an investigation will be conducted and the report of findings will be provided to the company's Board of Directors or appropriate units concerned).
- 14) Conduct investigation in accordance with existing applicable company laws, regulations, policies and procedures and due process.
- 15) Upon completion of the investigation by the General Manager (or his/her designate) submit a written report of the findings to the Audit Committee.

#### **PROCEDURE AFTER INVESTIGATION**

1. If complaint disclosure is substantiated after the investigation, the General Manager will provide a report to the Human Resources Manager who will inform the accused and his/her immediate supervisor of the findings and appropriate action to be taken in accordance with the company's policies and procedures.
2. After action, the General Manager will advise the Audit Committee and the Whistleblower of the final action taken in order to allow closure of the case.

**APPENDIX 2**



**WHISTLEBLOWER DISCLOSURE FORM**

Please provide the following details for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company and submit directly to any of the General Manager or his/her designate or the Audit Committee as provided by the Policy. Please note that you may be called upon to assist in the investigation, if required.

<b>REPORTER'S CONTACT INFORMATION</b> <i>(this section may be left blank if the reporter wants to be anonymous)</i>			
Name			
Designation			
Department			
Contact			
e-mail address			
<b>SUSPECT INFORMATION</b>			
Name			
Designation			
Department/Operations			
Contact			
e-mail			
<b>WITNESS INFORMATION</b>		<b>NAME</b>	<b>NAME</b>
Designation			
Department			
Contact			
e-mail			
Allegation No.			
<b>COMPLAINT:</b> <i>Briefly describe the misconduct/improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation.</i>			

1. What misconduct/improper activity occurred?

2. Who committed the misconduct/improper activity?

3. When did it happen and when did you notice it?

4. Where did it happen?

5.\* Is there any evidence that you could provide us?



6. Are there any other parties involved other than the suspect stated above?	
7. Do you have any other details or information which would assist us in the investigation?	
8. Any other comments? Please state	
Date	Signature (Optional)

***\*Note – You SHOULD NOT attempt to obtain evidence for which you do not have a right of access since whistleblowers are ‘reporting parties’ and NOT investigators***

<b>For Whistleblower Committee Use</b>	<b>Report No.</b>
<b>Received By:</b>	<b>Received on:</b> <hr/> <b>Acknowledgement Sent on:</b>
<b>Investigation Required (Yes/No) If no, please state the reason</b>	
<b>Investigation done by:</b>	
<b>Investigation Results:</b>	
<b>Action Taken/Conclusion:</b>	
<b>Reported to Audit Committee Chairman on:</b>	
<b>Signed Off by:</b>	

*Adapted from NYSE and Tri-Tech International  
Approved by the JSE Board, September 21, 2016*