

	Title: Corporate Social Responsibility Policy	Revision #: 1
	Revision Date: February 12, 2025	Doc. ID: FCJ/EXE/P002
	Approved by: Board of Directors	Issue date: March 2023

POLICY STATEMENT

Factories Corporation of Jamaica Ltd (hereinafter called “FCJ” or the “Corporation”) is a private company limited by shares, incorporated under the Companies Act of Jamaica 2004. The core business functions of the FCJ is to provide real estate solutions for a variety of industries such as light manufacturing, agro-processing, warehousing, distribution and business process outsourcing. The Board therefore recognizes that the business activities of FCJ have both direct and indirect social and environmental implications on the community and the country. As such, the Board understands its role not just as a provider of space, but also as a good corporate citizen and takes responsibility for the corporation’s effects on the environment and social well-being of the less fortunate. FCJ is committed to the adoption of best practices aligned with our corporate social responsibility and sustainability principles and practices. The Board is committed to fostering corporate socially responsible activities in all its operations by targeting two (2) key areas – education and community development.

In that regard, the Board, in accordance with its commitment to promoting environmental, social and governance responsibility while safeguarding the interests of the organisation’s stakeholders, hereby implements this *Corporate Social Responsibility (CSR) Policy*, (hereinafter referred to as “this Policy”). This Policy reflects the vision and mission of FCJ and is intended to establish the basic principles and the general framework that will support the organisation’s corporate social responsibility practices

1. PURPOSE

Through the implementation of this Policy, the Board demonstrates the organisation’s commitment to remain a socially responsible corporate citizen and expresses its intention to strive for continued economic development and sustainability.

2. SCOPE

The provisions of this Policy shall apply to all Directors, Officers and employees of FCJ. FCJ also encourages all stakeholders, tenants and suppliers to act in accordance with this Policy’s provisions where it is reasonably possible to do so.

3. DEFINITIONS

Corporate Social Responsibility - Corporate Social Responsibility (CSR) is defined as “the responsibility of an organisation for the impacts 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 organisation”. (*ISO 26000 Working Group on Social Responsibility, February 2007*).

The Corporation is therefore committed to recognise and manage its impact on the society, particularly the community within which it operates and to ensure that its

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business, and where reasonably practicable, the business of its tenants and suppliers, are being conducted in a socially and environmentally responsible manner.

Stakeholders - Individuals and groups with a legitimate interest in the organisation and who are affected by its actions, whether directly or indirectly. The term “stakeholders” includes employees, shareholders, tenants, suppliers and contractors of FCJ.

Sustainability - Sustainability is defined as “development which meets the needs of the present without compromising the ability of future generations to meet their own needs”. (*Crowther & Aras, 2008*)

4. COMMITMENT AND APPROACH

All Directors, officers and employees of FCJ will strive to adopt the environmental, social and governance principles outlined in this Policy and management will ensure these are incorporated into the organisation’s daily activities. The Board will lead by example and will endeavour to integrate these principles into their decision-making process. This Policy is built on principles that reflect existing and emerging standards of corporate social responsibility and sustainability that will:

- **encourage a culture of ethical behaviour** that increases FCJ's transparency in order to generate credibility and trust within its stakeholders, which includes society as a whole;
- **promote relationships based on trust and the creation of value** for all of its stakeholders, providing a balanced and inclusive response to all of them; and
- **contribute to enhancing the reputation** and the external recognition of FCJ.

The key principles supporting this policy are detailed below:

A. Maintaining Business Ethics and Transparency

FCJ will maintain the highest standards of integrity, transparency and accountability in all its operations and will act in accordance with its approved governance related policies and all other subsequent policies so as to promote public confidence in the management of the corporation. FCJ will take all reasonable steps to inform all its partners, tenants and suppliers of the object of this Policy and will work with them to achieve full compliance with its provisions.

B. Developing Employee Relations

FCJ will treat all employees with dignity, respect and fairness and will encourage and embrace diversity in the workplace. The Organisation will operate within the ambit of all labour laws and regulations and will conform to best practices within the industry and country.

C. Protecting the Environment

FCJ is intent on conducting its business in accordance with all environmental laws and regulatory requirements which govern the country in which it operates. It is understood that biodiversity, resource conservation and the prevention of pollution

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are critical to maintaining a sustainable environment, therefore, the organisation will effectively incorporate these concepts into its business operations.

CSR involves more than conforming to legal commitments but includes activities focused on facilitating:

- corporate governance and ethics;
- health and safety;
- environmental stewardship;
- sustainable development;
- industrial relations;
- community involvement, development and investment;
- accountability, transparency and performance reporting;
- corporate philanthropy and employee volunteering; and
- customer satisfaction and adherence to principles of fair competition.

FCJ will maintain a viable long-term balance between achieving economic growth and the preservation of the environment. All Directors, officers and employees are therefore encouraged to take all reasonable steps to maintain a safe working environment and operate in an environmentally responsible manner. The organisation will insist on the same standard of environmental care from all its suppliers, tenants and partners.

D. Promoting Good Stakeholder Relations

The organisation will maintain timely and meaningful dialogue with all employees, stakeholders, customers and governmental agencies that are empowered to oversee environmental and other related protection. The organisation will continue to build strong relations with its stakeholders by providing them with a range of opportunities and mediums through which they can express their interests and concerns. All parties will be dealt with honestly and fairly and the organisation will endeavour to maintain transparency and accountability in all its relations.

E. Promoting Corporate Sustainability

While it is recognised that corporate growth and profitability are critical to any organisation's survival, the organisation acknowledges that encouraging sustainable development is vital to its continued success. Therefore, an approach that integrates adequate risk management practices and sustainability principles into the organisation's daily operations will be adopted.

F. Encouraging Community Involvement

The organisation is committed to improving the quality of life enjoyed by the citizens who reside in the community within which it operates and all surrounding communities. This will be done by supporting programmes and initiatives in education and the environment. The organisation will endeavour to provide employment and economic activities and will integrate community investment considerations into all decision-making and business practices. The financial support of these activities will be guided by FCJ's Donation Policy.

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G. Providing Value to Customers

The organisation will provide excellent value in all products and services offered to its customers. This will be achieved by obtaining information relating to customer concerns and expectations and implementing practices which are aimed at resolving all reasonable concerns.

This CSR Policy supports the mission of FCJ which states; *“to satisfy customer needs and enhance national development by providing quality commercial space profitably.”*

5. DONATIONS

5.1 Purpose: Factories Corporation of Jamaica Ltd, in support of our vision and mission, will from time to time make charitable donations. This policy will facilitate the implementation of a clear governance structure by establishing a transparent process for the administration of all donations.

5.2 Objective: The objective of this policy is to ensure: -

- a) A transparent process of assigning donations;
- b) Donation amounts are in line with budget approved by the Ministry of Finance & the Public Service;
- c) Accountability of donations provided; and
- d) All parties are aware of procedures and practices that govern the operations of FCJ donations.

5.3 In-Kind Giving :

Based on the nature of the donation request, FCJ may purchase certain needed equipment for an approved organisation. However, this must be approved by the Donations Committee and must be in line with budget.

5.4 Employee Volunteering:

FCJ encourages its employees to actively participate and volunteer with recognised non-profit organisations. As a part of FCJ's CSR commitment, the corporation will invest working hours of employee time to in-school educational programmes. The hours volunteered must in no way adversely impact the operations of FCJ.

5.5 Scope: This policy applies to FCJ team members responsible for making corporate decisions regarding charitable donations. FCJ will provide contributions or donations to reputable registered non-profit or civic organizations and educational institutions with a priority focus on education and community development as noted hereunder: -

5.5.1 Education

In this area, we will concentrate on the education of students and specific school needs in communities within the areas in which we operate.

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5.5.2 Community Development

We will build the goodwill of FCJ through enhanced partnership with our communities. For our community projects, we will provide donations to reputable organizations that have a track record of successfully implementing and sustaining these types of projects. We will evaluate and ensure that the projects chosen will be sustainable, enhance the wider community while build our community relationship. This will be based on the need, affordability and sustainability of the projects.

5.5.3 Ticket Request

Further to the above, from time to time, the organisation will contribute towards the purchasing of tickets received from staff members and other non-profit or civic organisations for specific fund-raising activities benefitting our focus areas.

Each request will be reviewed individually based on:

- Added value to be derived from initiative;
- Cost of ticket; and
- Availability of funds

5.6 Eligibility: FCJ will consider applications for support from organization/projects that fall within the scope outlined above.

- Priority will be given to projects from surrounding communities that the corporation operates within.
- All requests in excess of \$50,000 must be from a non-profitable organization that is registered as a charitable organization for tax exemption purpose or from a school.
- All applicants should complete the required donation application form which provides the following details:
 - Tax registration number (TRN)
 - Background of project
 - Target area
 - Purpose
 - Amount Requested
 - Community Impact and/ or expected impact
 - Project sustainability

5.7 Request Process:

- All donation requests must be submitted in writing and can be mailed, faxed or emailed on the relevant organization letter head duly signed.
- A copy of FCJ Donation Form should be completed and submitted for review by each organization, project or individual requesting a donation. This should be submitted with request letter.
- All pre- approved applications must be verified preferably by a site visit.

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- d) Only one donation will be granted per project, organization or individual per annum.
- e) All requests for donation will be forwarded to the Marketing & Communications Manager for review and presentation to the Donations Committee as required for approval or non-approval.
- f) All applicants should receive a response within 15 working days.
- g) All tickets must be submitted along with a letter duly signed by the CEO or a Director describing the event, beneficiary, cost of the ticket, and a contact name and number.

5.8 Approval Process: All donations below \$250,000 will be approved by the Managing Director through the Donations Committee, which will be chaired by the Marketing & Communications Manager, along with two (2) other staff members selected by the Managing Director based on criteria noted below.

All donations over \$250,000 will be reviewed and where appropriate, recommended by the Donations Committee and submitted to the Public Relations & Marketing Committee for review and then final approval by the Board.

The following criteria will be used when considering a charitable donation.

Integrity of the organization or cause - this is a cause or proven organization which FCJ can be associated with and support our mission and vision.

Efficiency – supporting this organization will provide benefit to a few people or many.

Effectiveness - The distribution of the request will benefit the group/community and is a worthy cause that will empower beneficiary and provide for sustainability.

Benefit to the Group – How will the request improve the quality of life for the community, ultimately benefiting the organisation and will this request demonstrate FCJ's leadership in community development and relationships.

5.9 General: The Corporate Secretary will report monthly to the Board on the charitable donations made.

6. Reporting: The Board shall publish in its annual report a CSR report on its activities and will maintain on its website, a CSR statement of commitment and philosophy to which stakeholders can hold it accountable.¹

¹ Section 20 Corporate Governance Framework for Public Bodies

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- 7. Review of Policy:** This Policy shall be reviewed at least every two (2) years by the Corporate Governance Committee, or as regularly as is required, 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 Board for its consideration and approval.

DOCUMENT CONTROL

REVISION HISTORY

Version	Description	Reviewed by	Date Reviewed
1	No amendments/adjustments made	Corporate Governance Committee	March 2021
2	Reviewed and amended.	Corporate Governance Committee	March 15, 2023
3	Policy reviewed. No changes recommended. The policy is to operate alongside the Environmental, Social and Governance (ESG) Policy and the relevant parts of the policy to make reference to ESG.	Corporate Governance Committee	February 12, 2025

APPROVAL HISTORY

Version	Approved by	Date Approved	Date Effective
1	Board of Directors	March, 2019	April, 2019
2	Board of Directors	March 30, 2023	March 30, 2023
3	Board of Directors	May 1, 2025	May 1, 2025