



Caribbean Association of Banks Inc.

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# CODE OF CONDUCT

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FOR MEMBERS OF THE  
CARIBBEAN ASSOCIATION OF  
BANKS

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NOVEMBER 2016

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**Mission Statement: To proactively influence matters of interest to financial institutions through advocacy and education.**

**Vision: To be the collective voice that protects, promotes and strengthens the regional banking sector.**

The Caribbean Association of Banks (CAB) has strong operating principles that underpin how it achieves its vision. The **Core Values** are:

1. **Integrity:** We are truthful, transparent and deliver what is promised.
2. **Accountability:** We accept responsibility for the consequences of our actions and uphold the principles of good corporate governance.
3. **Commitment:** We agree to live up to our responsibilities.
4. **Confidentiality:** We adhere to agreements and standards on disclosure of information.
5. **Cooperation:** We are willing to work with others to achieve a common goal.
6. **Capacity Building:** We agree to focus on developing people and providing access to value added services.

## 1 Preamble

This code expresses the minimum principles and values that should drive the behaviour of the members of the Caribbean Association of Banks Inc. (CAB). This code should be viewed as an enhancement to members' internal Codes of Conduct with an aim to promote the obligations of the industry towards customers and other stakeholders through the best ethical practice beyond the requirements of law.

The Code provides the framework to ensure that the highest standards of professionalism and integrity are adopted and maintained by members of the Association in order that Regional markets will be characterized by strong adherence to ethical standards.

We, the members of the CAB, thereby offer to you, our customers and other stakeholders, The Code of Conduct with the vision that the above mentioned tenets shall be realized while respecting your human rights and maintaining the strictest self-discipline.

## 2 Review and Context

This Code shall be reviewed at least every three years and in consultation with all stakeholders.

In the body of these codes, "You" and "Your" refers to our customers and stakeholders. "We", "Us" and "Our" refer to the members of the CAB.

## 3 General Principles of Conduct

### 3.1 Professional Conduct

We, in our undertakings within the financial industry shall relentlessly pursue the highest level of ethical conduct towards our customers and stakeholders. We shall operate with the aim to satisfy and demonstrate commitment to fulfilling our role in the economy with the utmost honour.

#### 3.1.1 Honesty, Integrity and Transparency

In our every interaction with you, we shall demonstrate behaviour consistent with the core values of the CAB. You, our customers and stakeholders, as well as our employees can trust that we will always act with integrity and we shall treat you with fairness, respect, dignity and sincerity.

In promoting our products and services we shall present true and transparent information and refrain from withholding important particulars of services and products. We shall also conduct ourselves in a trustworthy manner when comparing our services with that of our competitors.

We shall also apply an objective and impartial methodology in dealing with you and not display any biases.

In the event that you feel you have been aggrieved or you suspect a dereliction of duty, we shall provide you with the appropriate processes to raise a complaint. We shall respond to your complaints in a timely and courteous manner and shall make the necessary adjustments to prevent further grievances of valid complaints. In the event of non-solution of the complaint we shall provide you with the procedures to arrive at a suitable solution.

### 3.1.2 Customer Confidentiality

We shall, within the entirety of our business relationship with you treat your confidential information with utmost integrity. We shall not divulge any confidential information to third parties unless it is required by law or you have given us your written consent. We shall operate and provide our service to you in a manner which inspires your confidence in us and the financial system. As such, your confidential information will be handled by us with utmost confidentiality and in accordance with the local privacy laws.

### 3.1.3 Relationships with Suppliers

In dealing with suppliers we shall perform all necessary due diligence regarding compliance, environmental standards, safety standards etc. relevant to our suppliers. We shall conduct business with said parties in good faith, honesty, fairness and transparency according to appropriate business practices.

### 3.1.4 Senior Management and Culture

Members understand the significance of senior management demonstrating strong leadership which will enable us to foster a culture of compliance and adherence to the Code. In order to gain and strengthen your confidence in us and in the financial system, we shall make certain that our senior executives act in a manner to ensure that strong corporate ethics are embodied firmly within our culture.

Our Management and executives shall understand the risks and the challenges we face and shall work diligently to identify and resolve problems in a timely manner.

### 3.2 Relationship with our Employees

We shall treat our employees with all due respect ensuring a safe and comfortable workplace. We shall strive to respect the human rights of our employees with respect to safety, privacy, fairness, and development. It is our aim to facilitate the development of our employees' talents and careers by leveraging their uniqueness.

We support a balanced work-life ethic and seek to provide an environment which engenders and seeks balance between the two activities.

We shall ensure that the necessary measures are in place to prevent and deter unfair treatment and discrimination in the work place. We shall promote a work environment which celebrates diversity and equality.

We shall ensure that our employees are sufficiently trained so that they can effectively and efficiently discharge their functions and provide the services that they are authorized to provide. All staff will be encouraged to have an intimate knowledge of the provisions of this Code.

Our employees shall use their authority to satisfy to the best of their ability, the obligations consequent of their position. They shall do so honestly and with sincerity in our best interest.

Our employee shall not abuse their position to further their own interests. Familial or personal affairs shall be handled in a manner which does not tarnish our reputation.

Our employees shall not leverage their position to obtain material gain from customers, competitors or stakeholders. They shall not leverage their position to offer similar advantages to customers, competitors or stakeholders.

### 3.3 Business Continuity Planning

We are aware of the important role which we play in society by functioning as the foundation which supports economic activities domestically and internationally. We shall offer our services with due consideration to your resources by ensuring robust security systems and contingency plans, thereby maintaining a continuity of service in the event of natural disasters etc. to the best of our ability.

### 3.4 Corporate Governance

A strong Corporate Governance culture is of paramount importance to us. We shall ensure that we have a robust Corporate Governance framework to ensure that there is accountability between Directors/Management and all stakeholders. This framework shall be embodied in the heart of our corporate ethics.

We shall establish sound corporate governance mechanisms, in accordance with the guidelines set by national, regional and international regulatory standards. We shall also effectively monitor activities of internal and external controls and employ corrective actions in a timely manner, thereby accomplishing our business goals and safeguarding our integrity and by extension the stability of the financial industry.

These controls shall include but not be limited to:

Internal controls:

- Monitoring and Oversight of the business by the Board of Directors.
- Internal Control Policies and Procedures.
- Internal Audit and role of Audit Committee.
- Balance of power that ensures separation of functions.
- Transparency.

- Ethical competitive activities.
- Corporate social Responsibility.

#### External Controls:

- Financial reporting by independent auditors.
- Compliance with regulations by government and other regulatory bodies.
- Credit Rating Activities.

### 3.5 Legal and Regulatory Compliance

We shall firmly act in accordance with all the laws and regulations of our respective jurisdictions to ensure fair competition and prevent vulnerabilities such as insider trading, money laundering etc. from appearing in the financial system.

We shall ensure that the necessary internal systems are in place to facilitate the effective adherence to, for example: AML/CTF/FATCA/FATF/CRS etc. regulations. In an effort to keep the financial system free from abuse we shall be vigilant in this regard.

We shall ensure that we operate according to the regulations set forth by our jurisdictions' Central Banks in relation to risk management and Capital adequacy requirements etc.

Regarding international AML/CTF and Tax compliance regulations, we shall, to the best of our ability and within the means of our resources, strive to adhere to these regulations in accordance with our mandate to ensure uninterrupted service to our customers as well as to ensure and promote the stability and sound reputation of the financial system.



To promote and develop a culture which continuously practices and enforces compliance we shall implement the necessary internal management systems to constantly monitor and implement thorough compliance.

### 3.6 Individual Member Organization Codes

In addition to the Code of Conduct stipulated by the CAB, we shall each have an individual comprehensive Code of Conduct in accordance with national and international laws. This code shall contain but not be limited to the major areas outlined as follows:

- Service Standards
- Credit information
- Disclosures
- Resolution of Disputes, Monitoring and Sanctions
- Rights and Obligations
- Pre-contractual Conduct
- Privacy and Confidentiality
- Compliance with laws and regulation
- Anti-Money- Laundering/ Counter Terrorist Financing (AML/CTF etc.)

### 3.7 Conduct between Banks

We shall pursue respectable practices in all engagements with our competitors. Rules of competition shall be fair and honest with no untrue or supercilious statements about competitors.

We shall also avoid all practices which might lead to a defilement of the tenets stipulated in this



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Code regarding general acceptable behaviour. Conflicts which may arise with our competitors shall be resolved in an amicable, impartial and timely manner.