



BESF

BARBADOS ENVIRONMENTAL
SUSTAINABILITY FUND



CONFLICTS OF INTEREST POLICY

Approved July 2022

CONFLICTS OF INTEREST POLICY

for the

BARBADOS ENVIRONMENTAL SUSTAINABILITY FUND (“BESF”)

All existing and new Directors shall receive a copy of this Policy and shall be deemed to have accepted it.

1. Introduction

- 1.1 The aim of this document (the “Policy”) is to give guidance on the legal requirements and set out the policy of the BESF in relation to the managing of Director’s conflicts of interest.
- 1.2 Each Director owes a duty of loyalty to the BESF and must always act in the BESF interest of the BESF. Failure to do so may constitute a breach of duty and may result in the Director being personally liable.
- 1.3 Directors must act in accordance with the BESF’s By-Laws, the Operational Manual, and this Policy, and must properly manage situations where there is or may be a conflict of interest.

2. What is a conflict of interest?

- 2.1 In this Policy, a conflict of interest means any situation where any direct or indirect interests of a Director conflict, or might reasonably be regarded as conflicting, with the interests of the BESF or the Director’s duty of loyalty to the BESF.
- 2.2 Even the perception that a conflict of interest exists may damage the BESF. Where the perception is not accurate because there is no actual conflict of interest, the Directors should always be able to respond appropriately to the situation by managing the risks to the BESF and being prepared to explain how they have made their decisions only in the BESF interests of BESF. References in this Policy to conflicts of interest therefore include situations in which a Director might be reasonably regarded as having a conflict of interest.
- 2.3 A conflict of interest may arise by virtue of a Director’s personal interests, including, but not limited to, any gifts or hospitality received by the Director in connection with the discharge of his or her duties that are not permitted under the BESF’s By-Laws, this Policy or the Operational Manual.
- 2.4 A conflict of interest may also arise by virtue of the interests of a person or organisation connected to a Director (a “Connected Person”). This means that there may be a conflict of interest where there is a proposed transaction between the BESF and a Connected Person or a potential benefit to a Connected Person. Where a conflict of interest arises for a Director as a result of circumstances affecting a Connected Person, it is the Director that must comply with this Policy – not the Connected Person.
- 2.5 Conflicts of interest are not just about tangible benefits received by Directors or Connected Persons. Certainly, the conferring of such benefits will give rise to conflicts of interest that need to be authorised and managed. However, a conflict of interest can

arise simply because a Director has interests in or loyalty or other duties owed to other organisations whose interests might conflict with those of the BESF.

3. Overview of the Conflicts Procedure

3.1 Any actual or potential conflict between the interests of BESF and the interests of a Director must be identified and declared by the relevant Director and managed in accordance with the procedure set out in this Conflict of Interests Policy.

3.2 Declaration of Interests Form and Register of Directors' Interests

3.2.1 A Director Declaration of Interests Form is attached at Appendix A. This should be completed:

- (a) by all new Directors;
- (b) annually by all existing Directors; and
- (c) by existing Directors on an on-going basis as soon as reasonably practicable after the Director becomes aware of a new conflict of interest.

3.2.2 Directors should err on the side of caution when completing their Declaration of Interests form, listing all interests that may give rise to an actual or potential conflict of interest.

3.2.3 A Register of Directors' Interests will be maintained by the Chairperson and be accessible to the Directors. A model Register is attached at Appendix B.

3.3 Declaration of Conflicts of Interests at Director Meetings

3.4 Each agenda for Director meetings (or for a Director decision to be made outside a meeting) will include an item for declaration of interests and identification of any conflicts or potential conflicts of interest.

3.5 Prior to, or at the beginning of any Director decision making process (or committee meeting), Directors must declare any interest in relation to matters on the agenda, whether or not they think this may give rise to a conflict of interest. Directors not attending the meeting or taking part in the decision-making process should declare any interest in advance to the Chairperson. The BESF's Policy is that all interests should be declared at each meeting to avoid uncertainty.

3.6 The declaration can be by oral notification to the Chairperson or, in the case of interests not previously disclosed, by using the form attached as Appendix A. Any new interests declared in this way will be entered in the Register. If a matter arises at a meeting at which a Director becomes aware that they have a new actual or potential conflict of interest, they should declare the conflict of interest at the meeting and complete the form attached as Appendix A and send this to the Chairperson as soon as reasonably practicable following the meeting.

3.7 After disclosure by a Director of a conflict of interest, the other Directors will have the right to determine (without the interested Director being present) whether a conflict of

interest exists in the circumstances. Any determination regarding the existence of a conflict of interest will be made by a majority vote of the other Directors taking part in the decision-making. The interested Director cannot vote or be counted in the quorum in relation to the decision about whether his or her interest does or does not give rise to a conflict of interest.

- 3.8 If the non-interested Directors determine that the interested Director does have a direct or indirect interest in any matter to be decided by the Board, then, in accordance with Section 7.7 of BESF By-Laws, the interested Director shall not take part in any deliberation or decision in respect of that matter.

4. Additional considerations where interests arise from potential benefits to a Director

- 4.1 The Directors and Connected Persons cannot receive any benefits from the BESF except to the extent permitted by the BESF's By-Laws, this Policy or the Operational Manual.

- 4.2 The direct and indirect benefits permitted to a Director include:

4.2.1 The BESF may make payments to a grantee with whom a Director is associated;

4.2.2 any insurance designed to indemnify the Directors; and

4.2.3 the payment by the BESF of reasonable and proper premiums in respect of such indemnity insurance effected in with BESF By-Laws and Operational Manual.

- 4.3 If a proposed benefit to a Director is not permitted under the BESF's By-Laws or Operational Manual, legal advice should be obtained before proceeding.

5. Directors associated with external bodies and *ex officio* Directors

- 5.1 *Ex officio* Directors and Directors associated with external bodies are likely to face potential conflicts and they must manage conflicts carefully.

- 5.2 It is a general principle of charity law that appointed Directors must act independently of the body which appointed them and act only in the BESF interests of the charity. If this would lead to a Director acting in a way which conflicts with the interests of another body with which they are associated, the Director must consider whether they personally have a conflict of interest – they may do if they owe a duty of loyalty to the other body.

- 5.3 Any conflict of interest must be managed in accordance with this Policy and BESF By-Laws.

6. Situations where all the Directors have a conflict of interest

Where the full Board is conflicted, the Directors should seek legal advice.

7. Record keeping

- 7.1 All discussions and decisions about a conflict of interest must be recorded and reported in the minutes of the meeting by the Chairperson. The report should record:
- 7.1.1 details of any conflicts of interest, including any decisions made as to whether a Director did or did not have a conflict of interest;
 - 7.1.2 the actions taken to manage the conflict in accordance with BESF By-Laws and this Policy;
 - 7.1.3 the names of persons present for discussion; and
 - 7.1.4 any other relevant information.

8. Policy Review

- 8.1 This Policy shall be reviewed annually/as and when the Directors determine. Adopted by the Directors on this _____.

Appendix A to Exhibit 2

BARBADOS ENVIRONMENTAL SUSTAINABILITY FUND

Director Declaration of Interests Form

I, _____
as Director of the Barbados Environmental Sustainability Fund have set out below my interests
in accordance with the organisation’s conflicts of interest Policy.

I am a new Director.....

I am an existing Director.....

Category	Please give details of the interest and whether it applies to yourself or, where appropriate, a member of your immediate family, connected persons or some other close personal connection.
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise), e.g. Directorships, Directorships, local authority membership, tribunals, etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings (charities may set a figure here, e.g. more than 1% or 5% of issued capital) and beneficial interests.	
Gifts of hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months.	
Do you use, or care for a user of the organisation’s services?	
Any contractual relationship with the charity or its subsidiary.	
Any other interests not covered by the above that could give rise to a conflict of interest.	

To the BEST of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest Policy and for no other purpose.

Signed: _____

Position: _____

Date: _____

This form is based on a model produced by the UK Institute of Chartered Secretaries and Administrators www.icsa.org.uk

Appendix B to Exhibit 2

Register of Director's Interests

Name of Director	Description of Interest	Does the Interest relate to the Director or a person closely connected to the Director (please describe)?	Date notified	Is the Interest current?

This Register can be used either to record all Director interests chronologically as they are disclosed or to have separate pages for each Director with their interests recorded chronologically.

This Register is based on a model produced by the Institute of Chartered Secretaries and Administrators www.icsa.org.uk and is reproduced with their kind permission.

CODE OF CONDUCT FOR INDIVIDUAL DIRECTORS

General Expectations.

1. Be familiar with BESF's objectives, procedures, programs and operations.
2. Perform the duties of a Director diligently and responsibly. Act loyally to the BESF and show as much care in governing the BESF as in considering one's own affairs.
3. Follow national and local developments that are of concern to the BESF.
4. Be willing to serve on the BESF's committees and task forces.
5. Act with the highest standards of integrity at all times.

Meetings.

6. Prepare for the BESF Board and sub-committee meetings, reading all relevant papers in advance.
7. Attend all Board and relevant committee meetings unless absolutely unavoidable. Work as hard and as long as necessary to cover Board matters with due diligence.
8. Participate actively in Board discussions, in accordance with one's conscience. Support all decisions made by the Board.
9. Suggest agenda items for Board and Committee meetings to ensure that all Policy related matters are covered.

Relationships with Staff.

10. Support/advise the Chief Executive Officer through introductions and information.
11. Do not give direction to staff members except through the Chief Executive Officer.
12. Avoid asking for personal favors from staff.

Conflicts of Interest.

13. Comply at all times with the BESF's Conflict of Interest Policy.
14. Serve first and foremost the BESF as a whole and not any special or national interest or stakeholder group regardless of the basis of appointment.
15. Avoid any conflict of interest and disclose any potential conflicts before the Board in any relevant discussions.
16. Never accept favors or gifts from anyone who does business with the BESF.
17. Maintain independence and objectivity in deliberating all Board matters.

Fiduciary Responsibilities.

- 18.** Read and understand BESF's financial statements and exercise due care in all financial matters.
- 19.** Treat the resources of BESF with the same care as a reasonable person will treat their own.
- 20.** Take care to ensure that the resources of BESF are only used in furtherance of BESF's objectives.
- 21.** Do not use BESF's resources or the position as a member of the Board of Directors for personal gain.

** "Fiduciary" means of the nature of the BESF or depending on public confidence. Fiduciary responsibilities are those arising from the fact that the resources of BESF are entrusted to BESF Board by BESF's Donors for use in achieving BESF's mission.