



BARBADOS  
PORT INC.

Welcome to a sea of possibilities.

A magnifying glass with a black handle and a silver rim is positioned over the title text. The lens of the magnifying glass is centered on the words 'CORPORATE GOVERNANCE POLICY', making the text appear larger and more prominent. The background is a light blue gradient with a blurred image of a microscope or similar scientific instrument on the right side.

# CORPORATE GOVERNANCE POLICY



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# 1 Introduction

This policy sets out the minimum requirement for the governance of **Barbados Port Inc.** (“BPI” or “the Company”). The purpose of the policy is to establish the external and internal framework for the operation of corporate governance within the Company.

In all actions taken by the Board, the Directors are expected to exercise independent judgement in what they reasonably believe to be in the best interests of BPI. In discharging that obligation, Directors rely on the honesty and integrity of BPI’s senior management and external advisors.



## 2 Definitions

**“Board”** means the Board Of Directors of **Barbados Port Inc.** and, an elected or appointed group of individuals that represent shareholders. The board is a governing body that typically meets at regular intervals to set policies for management and provides oversight. It is held accountable for the Company’s policies and actions.

**“Board Committees”** or **“Board Sub-Committees”** means all Committees constituted by the Board of Directors including Finance and Audit, Board of Surveys, Human Resources, Pensions, Pensions Investment, Tenders and Procurement, Security, Strategic and Technical Committees including such other Committees as may be constituted in future.

**“Corporate Governance”** means the task of a Company’s Board in providing leadership, guidance and oversight to the Company for maximizing shareholder financial return within the bounds of law and community standards of ethical behaviour.

**“Executive Director”** is a Director who is a member of the executive management team of the Company.

**“Non-Executive Director”** means a Director who is not a member of the executive management team.

**“Related Party”** means two parties who are joined by a pre-existing business relationship or common interest. A related party is related to the company if any of the following situations apply to it: **[1] Associate** - the party is an associate of the company; **[2] Common control** - the party is, directly or indirectly, either under common control within the company or has

significant or joint control over the company; **[3] Joint venture** - the party is a joint venture in which the company is a venture partner; and **[4] Key management** - the party is a member of the company's key management personnel.

**“Executive Management”** means the Managing Director and Chief Executive Officer, the Divisional Manager, Operations, the Divisional Manager, Corporate Development & Strategy, the Financial Controller & Corporate Secretary and the Divisional Manager, Human Resources & Industrial Relations, and such other executive officers of the Company named as such, by the Board.

**“Senior Management”** are the heads of various departments led by the Managing Director and Chief Executive Officer and other Executive Management.

**“Policy”** is a generic term for any rule or set of rules that declare how an issue that is material to the Company will be managed. The rule may be anywhere from abstract and directional to concrete and procedure-oriented, e.g. “it is every employee’s duty to protect the Company’s reputation” and “all Company cheques must be signed by two officers.” The purpose of the policy is to establish rules for guiding behaviour critical to the achievement of some managed objective. To be considered binding on all applicable employees, officers and directors.

**“Procedures”** means specific methods employed to implement or operationalise a policy and are binding on all applicable employees, advisors, officers and directors. While policies deal with “what”, procedures are concerned with “how”.





# 3 Functions Of The Board

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The Board makes its decisions directly or through its established Committees, and reviews and approves key policies and supervises the management of BPI particularly in relation to:

- **Business strategy, including master plans, annual operating plans and budgets**
- **Business development initiatives including major investments and disposals**
- **Corporate governance**
- **Compliance with applicable laws, regulations and codes of ethical business conduct**
- **Corporate citizenship and sustainable environmental practices**
- **Corporate financing and treasury related activities**
- **Remuneration policies and practices (including employee benefit plans)**
- **Risk management and the adequacy of financial controls**
- **Organisational structure and succession planning**
- **Financial reporting**
- **Timely, accurate and balanced disclosure of material information about BPI to appropriate stakeholders and regulatory authorities.**

The Board has assigned specific responsibilities for the Chairman, all Directors and the Corporate Secretary.

The Chairman of the Board is principally responsible for chairing the Board, overseeing its effective operation, and ensuring that information that Directors

receive is sufficient to make informed judgements. The Chairman shall, in consultation with the Chief Executive Officer and the Corporate Secretary, establish the agenda for each Board meeting.

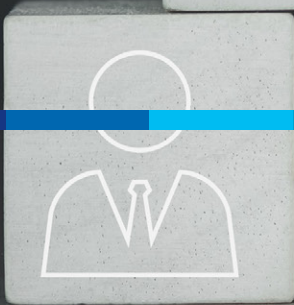
Directors are expected to attend meetings of the Board and Board Committees on which they serve, and to spend the time needed to prepare for and to meet as frequently as necessary to properly discharge their responsibilities. Prior to a Board or Committee meeting, Directors are entitled to receive information and materials that are important to the Board's understanding of the business to be conducted within sufficient time for review.

Directors shall be knowledgeable and informed about the business of BPI and their duties and responsibilities. The Company shall assist Directors in their education about BPI and their duties and responsibilities as Directors. Management also has a duty to regularly update the Board on changing regulations and practices related to corporate governance.

The Directors shall conduct a periodic review of the Board's performance in accordance with applicable standards of corporate governance – fairness, accountability, responsibility and transparency.

The Corporate Secretary is responsible for recording Board decisions and for administering the Board's agreed policies and procedures so as to support effective decision-making and governance. The Corporate Secretary is appointed by, and can only be removed by the Board.





# 4 Selection/Composition Of The Board

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Directors are required to apply a diversity of skill and expert knowledge in the execution of their responsibilities. This is taken into account in the selection and composition of the Board. The minimum and maximum numbers of Directors on the Board of the Company shall be determined in accordance with the general or amended By-Laws of Barbados Port Inc.

Directors shall hold office from the date on which they are appointed until the close of the annual meeting of the shareholders next following but shall be eligible for re-election if qualified. Appointment/election, re-election and retirement of each Board member shall be consistent with the general or amended By-Laws of Barbados Port Inc.

A quorum consists of four (4) Directors for the transaction of business. No business shall be transacted at a meeting of directors unless a quorum is present.

The determination of compensation of Directors is in accordance with the general or amended By-Laws of Barbados Port Inc. The level of compensation of the Non-Executive Directors reflects the time, commitment and responsibilities of the role. Directors may also be awarded special remuneration for any special services on the Company's behalf other than for the routine work ordinarily required without resolutions by the shareholders.



# 5 Conflict Of Interest

A Director who has a personal interest in any transactions with BPI or with any other party which could create or appear to create a conflict of interest with BPI must disclose such interests by completing a conflict of interest form. These transactions include but are not limited to:

- **Any interest in contracts or proposed contracts with BPI or in a company, which does business with BPI**
- **Emoluments received from BPI**
- **Loans or guarantees granted by BPI to / for the Director**
- **Charitable contributions by BPI to organisations in which a Director serves on the Board or as an employee.**

Directors shall declare their interest in any matter coming to the Board for decision and shall not participate in debate or vote on such matter, unless otherwise approved by the Board. Any waiver of the Code of Business Conduct and Ethics for executive officers or Directors is to be made only by the Board and must be promptly disclosed to stakeholders. The disclosure of a Director's interest shall include the interests of his / her family.

Company directors, managers, supervisors and certain employees who are in particularly sensitive positions as identified by Executive Management are required to complete a conflict of interest form each year. Further guidance is to be found in the Company's Code of Business Conduct and Ethics.



# 6 Board Committees

The Board has established Committees, each with clearly defined terms of reference, procedures, responsibilities and powers.

## **a. Board of Survey Committee**

This committee assists the Board in monitoring and assessing the condition of BPI facilities' (plant and equipment) useful life. It also advises or proposes recommendations to the Board on decommissioning and disposal of same.

## **b. Finance and Audit Committee**

The purpose of the Finance and Audit Committee is to assist the Board of BPI to fulfil their corporate governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems and the external audit functions.

## **c. Human Resources Committee**

The purpose of this committee is to assist the Board in fulfilling its oversight responsibilities with respect to key human resources (including industrial relations and employee relations) and compensation matters. Its responsibilities also include creating and / or monitoring values-based systems and policies to ensure that BPI is following the relevant laws and best practices relating to its employees and creating an attractive environment for current and prospective employees.

## **d. Pension Committee**

The Committee is responsible for ensuring that the Pension Funds are properly operated in accordance with all relevant legislation and best practice as advised by the Pension Plan Administrators, including both financial and administrative matters.

### **e. Pension Investment Committee**

This Committee is charged with overseeing pension investments and developing investment policies.

### **f. Tenders and Procurement Committee**

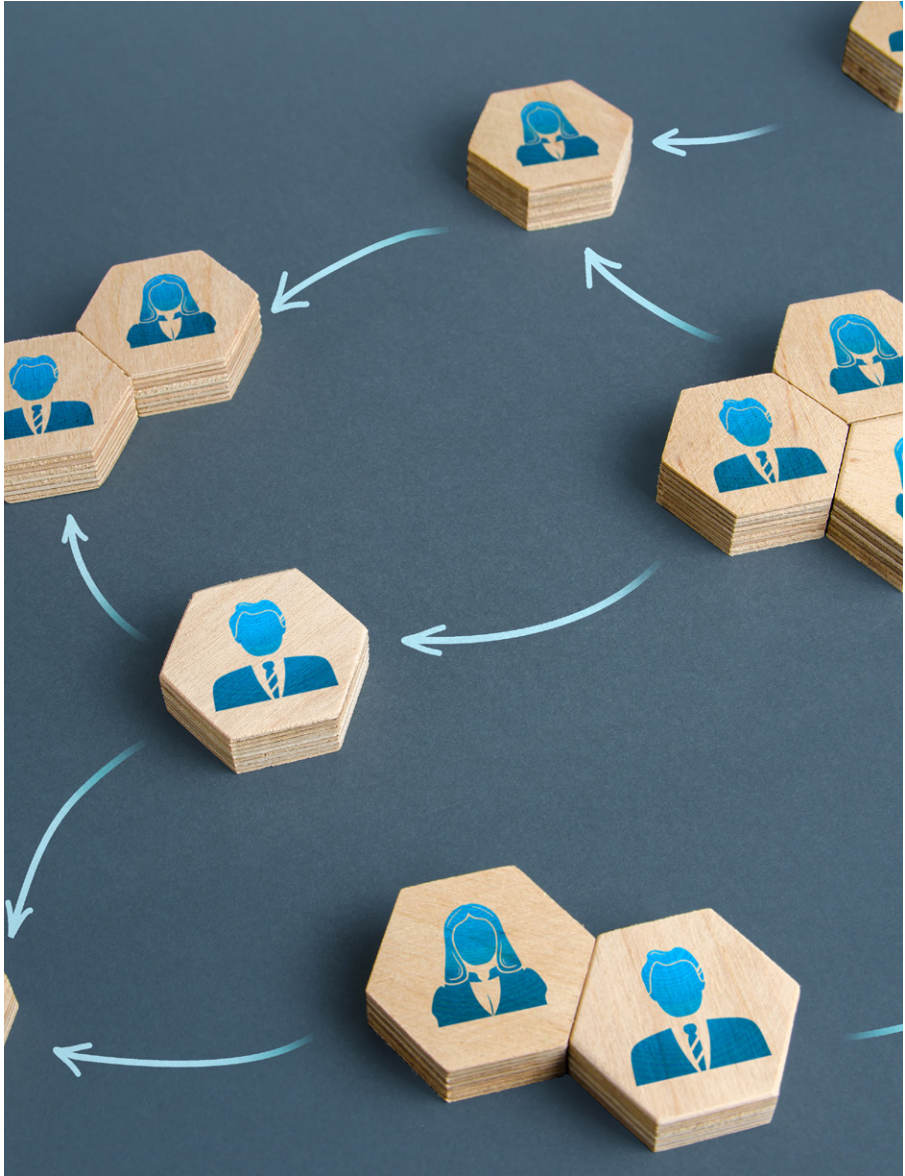
The role of this committee is to evaluate bids in accordance with the specifications as set out in the original tender document and to make its recommendations to the Board.

### **g. Security Committee**

The role of the Security Committee is to execute due diligence via the evaluation of overall port security, operational intelligence and the identification of vulnerabilities. Further, the committee is charged with the development of initiatives of due care with respect to these vulnerabilities and the continued development and implementation of the port security plan. The Committee also serves as a liaison between the elements of Port Security and National Security.

### **h. Technical Committee**

Prior to the acquisition of major plant and equipment or significant improvements in the Port infrastructure, this Committee assesses the specifications provided by senior management and will advise or propose recommendations to the Board to ensure that requirements meet the needs of BPI's operations.





# 7 Requirements For Governance

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The following list identifies policies which the Board requires management to develop for Board approval. Others may be added from time to time.

- Attendance Policy
- Crisis Communications Policy
- Dividend Policy
- Emergency Response Plan Policy
- Equal Employment Policy
- Pension Investment Policy
- Recruitment Policy
- Safety and Health Policy
- Sexual Harassment Policy
- Training and Development Policy
- Policy for Formulating Policies
- Accounting and Financial Reporting Policy
  - Asset/Liability Policy
  - Capital Management Policy
  - Credit Risk Policy
- Alcohol and Drug Use Policy
- Business Continuity Policy
- Claims Settlement Policy
- Code of Business Conduct and Ethics
- Corporate Communications Policy

- Corporate Governance Policy
- Corporate Social Responsibility Policy
- Customer Service Charter
- Enterprise Risk Management Policy
- Financial Planning Policy
- Flexible Work Arrangement Policy
- Market Risk Policy
  - Interest Rate Risk
  - Foreign Exchange Risk
- Internal Control Policy
- Investment Policy
  - Investor Relations Policy
  - Business Acquisition and Divestment Policy
- Lending Policy
- Liquidity Risk Policy
- Privacy Policy
- Procurement Policy
- Public Disclosure Policy
- Strategic Planning Policy
- Sustainability Policy
- Technology Management Policy
- Truth Verification Policy
- Whistleblower Policy





**BARBADOS  
PORT INC.**

Welcome to a sea of possibilities.

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